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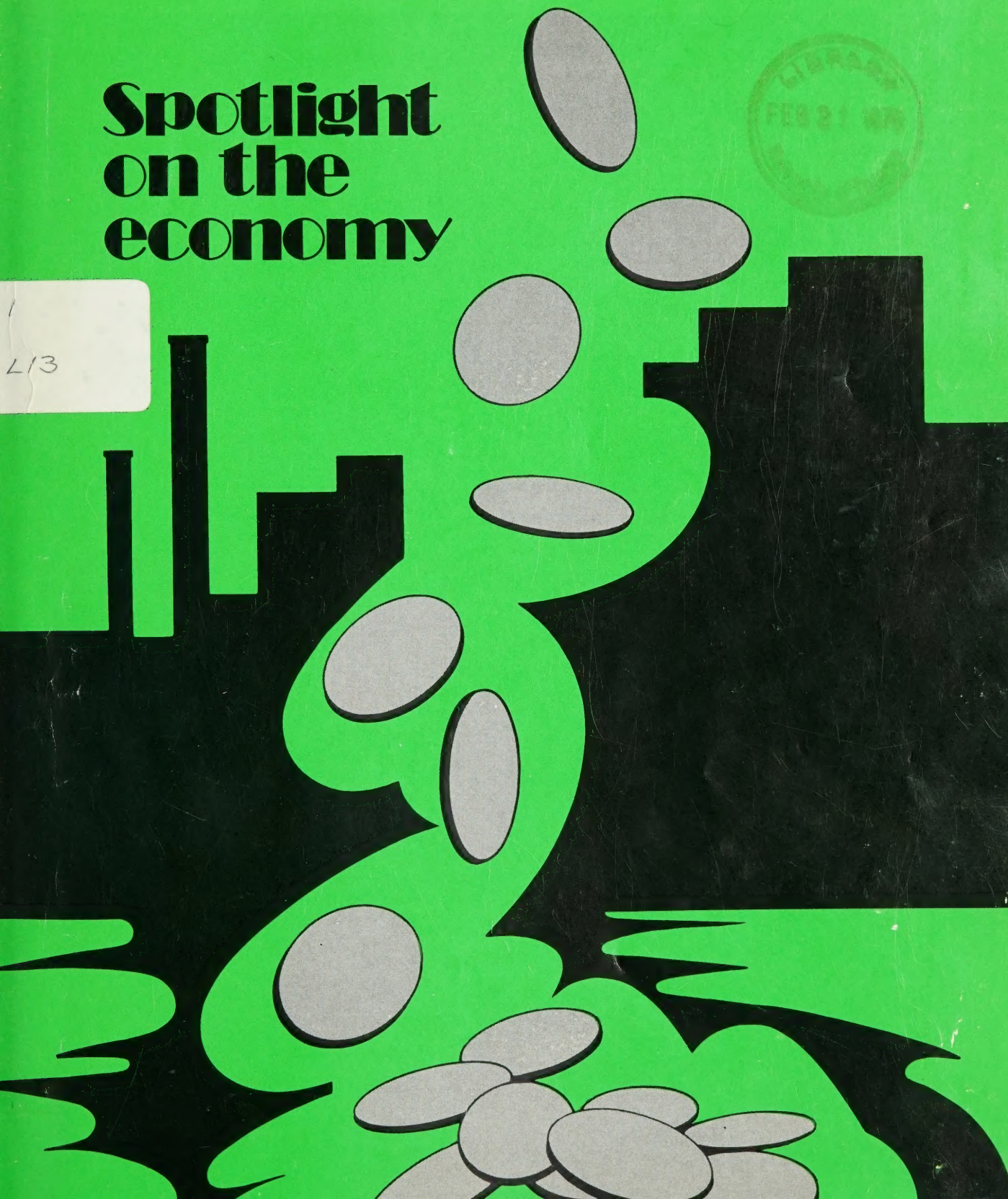
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january 1978

Spotlight on the economy

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Canada**

**Travail
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THE ECONOMY

Conference Board provincial forecast

The Conference Board in Canada has established real economic growth at less than 3 per cent in every province except Alberta and British Columbia in 1977, but predicts an increase of 5 per cent or more in five provinces in 1978

— Newfoundland, Prince Edward Island, Ontario, Alberta and British Columbia.

The Conference Board's provincial quarterly forecast in November, also predicts that the changes in federal taxation and expenditure policies, announced Oct. 20 in the Commons, will not substantially alter the growth outlook for the country as a whole. It estimates growth in real gross domestic product (GDP) at 2.9 per cent in 1977 and 4.9 per cent in 1978.

	Real gross domestic product % change	Unemployment rate %	Personal income % change
Newfoundland			
1977	-1.1	15.9	9.8
1978	5.4	16.5	10.4
Prince Edward Island			
1977	1.0	9.9	8.2
1978	5.1	10.4	10.8
Nova Scotia			
1977	2.2	10.7	9.8
1978	4.6	10.4	10.8
New Brunswick			
1977	2.8	13.4	9.4
1978	4.9	13.6	11.0
Quebec			
1977	2.8	10.3	8.6
1978	4.5	11.0	10.5
Ontario			
1977	2.5	7.0	9.8
1978	5.2	6.8	10.7
Manitoba			
1977	0.9	5.9	7.1
1978	3.7	5.8	9.6
Saskatchewan			
1977	1.4	4.5	6.2
1978	2.8	4.5	10.1
Alberta			
1977	5.6	4.4	12.8
1978	5.7	4.1	12.5
British Columbia			
1977	3.9	8.5	10.5
1978	5.0	7.9	10.8
Canada			
1977	2.9	8.1	9.5
1978	4.9	8.1	10.8

It describes Ontario's 1977 performance as weaker than expected and below both the Quebec and national levels. However, Ontario is expected to outperform both in 1978 while Quebec is expected to fall farther below the national average in 1978 than in 1977.

Newfoundland was hardest hit by the 1977 national economic slowdown, with the decline in real GDP estimated at 1 per cent, but the mining and construction industries are expected to lead the way in a marked recovery, with anticipated growth in real domestic product of 5.4 per cent, although unemployment will increase to about 16.5 per cent of the labour force.

In 1978, the Conference Board anticipates declines in the real output of the forestry and mining industries, but increases in agriculture, fisheries, construction and manufacturing.

EMPLOYEE INCOME

Third-quarter settlements

Major collectively bargained settlements in the third quarter of 1977 provided average annual base-rate increases of 7.5 per cent, down from 7.9 per cent in the second quarter. The third-quarter average is also down from the average increase of 7.9 per cent during the 12-months ended with the third quarter. The Labour Canada figures are based on agreements covering 500 or more workers in industries, other than construction, in both federal and provincial jurisdictions.

During the third quarter, there were 97 major one-year agreements calling for average in-

creases of 7.7 per cent; 25 two-year agreements calling for increases of 8.2 per cent for the first year and 6.7 per cent for the second, and 7 three-year agreements calling for increases of 6.4 per cent, 3.3 per cent and 3.3 per cent for the first, second and third years respectively.

Of the 129 third-quarter agreements 23 provided for a cost-of-living allowance. The average annual increase in base rates for these settlements was 6.5 per cent, excluding the effect of the COLA clause. The remaining 106 settlements without a COLA clause provided for an annual average increase of 7.7 per cent.

Of 587 major agreements in the 12-month period ended in the third quarter, 136 settlements, providing for a 6.5 per cent annual increase, contained a COLA clause. The 451 agreements without a COLA clause provided for an average annual increase of 8.4 per cent.

Salary increases in U.S.

Average salaries for selected white-collar occupations in private industry in the United States increased by 6.9 per cent during the 12-month period ended March 1977. The increase is the third largest recorded since the Bureau of Labor Statistics began its national survey 17 years ago. The average increase for clerical occupations was 6.6 per cent and for professional administrative and technical occupations, 7.1 per cent. The U.S. Consumer Price Index rose 6.4 per cent during the same period.

U.S. raises minimum

President Carter signed legislation Oct. 31 raising the United States

minimum wage to \$3.35 an hour by 1981 — a \$1.05 increase. It would be implemented in four stages by 35 cents an hour to \$2.65 on Jan. 1, 1977, to \$2.90 in 1979, \$3.10 in 1980 and \$3.35 in 1981.

Officials estimate that 4.3 million workers will get wage increases totalling \$2.6 billion from the initial 35-cent-an hour increase, and that over the four years 5.3 million workers will earn an additional \$9 billion.

The bill, providing the largest single increase in history for U.S. low-income workers, is seen as a major victory for organized labour. Some business lobbies had vigorously opposed its passage, warning that it would contribute to inflation and high unemployment.

The federal minimum wage in Canada is now \$2.90 an hour. Provincially, Québec's minimum wage, at \$3.15 an hour, is the highest in Canada, and Newfoundland's, at \$2.50 an hour, is the lowest.

PROFESSIONAL INCOMES

Doctors top list

Self-employed doctors and surgeons had the highest average income of any occupational group in 1975, according to income tax returns. Next in order, behind the doctors and surgeons, with an average income of \$46,661, were four other self-employed categories — engineers and architects, \$43,409; lawyers and notaries, \$42,731; dentists, \$40,871; accountants, \$34,668. Other self-employed professionals earned an average \$17,989, while the average of the biggest category of income-tax payers, 7,279,444 employees,

was \$11,696. The auto city of Oakville, Ont., had the highest average income among Canadian cities, \$11,714.

The 5,696,359 male income-tax-payers reported average income of \$13,762, while the 2,795,386 female taxpayers had an average income of only \$8,331. The average for all individual taxpayers was \$11,974.

LABOUR COSTS

Statistics Canada survey for 1976

Employers paid an average \$15,219 in total compensation for each employee on their payroll according to Statistics Canada's All Industry Survey of Labour Costs for 1976. Of that total, \$12,089 was direct pay for hours worked, \$1,490 for paid absence, including holidays, vacations and sick leave, and \$1,354 was in the form of employer contributions to welfare and benefit plans. The rounded percentages of total compensation for each factor were 79.4, 9.8 and 8.9 respectively. These preliminary figures are based on reports from 4,500 establishments employing 20 or more employees in all industries, public and private, except agriculture, fishing and trapping. The final survey will cover 7,500 establishments.

EMPLOYMENT

Advisory group on youth

The federal government is establishing a National Youth Advisory Group. Its principal task will be to advise employment Minister Bud Cullen on all aspects

of youth employment and unemployment, to recommend ways of providing more jobs for young workers, and to investigate and eliminate barriers to young people in the job market. Its 12 to 15 members will meet four times a year. The government is seeking nominees from the Canadian Manufacturers' Association, the Canadian Labour Congress and other national organizations.

More mothers working

The number of mothers in the labour force with children under 18 increased almost tenfold, from 1.5 million in 1940 to 14.6 million in 1976, according to data compiled by the Women's Bureau of the United States Department of Labor. In March, 1976, 49 per cent

of all mothers with children under 18 were in the labour force. This compares with 9 per cent in 1940, 27 per cent in 1955 and 35 per cent in 1965. Among the 14.6 million working mothers, 5.4 million had children under six years of age. And between 1960 and 1976, the proportion of working mothers with children under three rose from 17 to 34 per cent.

Most mothers work outside the home because they need the money, according to bureau director Alexis Herman is quoted as saying. "And with the dramatic increase in the number of mothers with children under six years old, lower cost and more readily available child care facilities are critically needed," she is quoted as saying.

ILO

U.S. withdraws

The United States withdrew Nov. 5 from the International Labour Organization, marking the first withdrawal by the U.S. from a United Nations agency since the world organization was founded in 1945.

The move, which poses grave problems for the 135 country-tripartite agency, was described by Joseph Morris, president of the Canadian Labour Congress, "as a very great disappointment." Morris was elected chairman of the ILO's governing body at its annual general meeting in June.

U.S. Labor Secretary F. Ray Marshall enunciated several reasons for the U.S. move. He said the ILO has not applied labour

standards equally among all the nations of the world, that it frequently issues condemnations "without adequate investigation," that nations are sometimes condemned by the ILO for "extraneous political" reasons, and, finally, that the delegations from several countries are not tripartite, representing government, labour and industry, but represent "governments almost exclusively."

The U.S. move was not unexpected. It had given the required notice two years ago of its intention to let its membership expire over what it considered the increased "politicization" of the 135-country body. The U.S. decided to carry through its intention when the June assembly failed to adopt a report naming the countries that had not observed ILO conventions and recommendations.

The U.S. provided about 25 per

cent of the ILO's funds in the past, and one of the governing body's first tasks will be to determine where its \$169 million two-year budget can be cut.

Since its foundation, the ILO has worked for the improvement of labour standards and working conditions throughout the world by adopting resolutions and conventions and urging its member companies to implement them. It has worked for the abolition of slave labour and the protection of women and children in the labour force, and it has provided programs of technical training for people from developing countries. It is also a major source of international labour statistics.

Morris said the U.S. move will be welcomed by tyrannical governments. "In our long association with the ILO, Canadian workers have long been aware of its imperfections," he said "but we have always understood that its existence and success were fundamental to the well-being of workers everywhere, many of whom are engaged in a struggle not only with their employers but with tyrannical governments. These are the people who will welcome the U.S. decision — not the free workers, or their brothers who see the ILO as a beacon guiding them to freedom. Our task of using the ILO to advance the interests of workers will be made more difficult without the contribution of the United States. The task of our enemies will be made that much easier.

"The CLC will not shirk its responsibilities to the international trade union community, and we hope within a short period of time that the U.S. will reassess its position and return to the one agency in the international system in which workers have a voice."

EDUCATION

More women in agriculture and business

More Canadian women were preparing for professions in agriculture and business, Labour Minister John Munro said in an Oct. 12, 1977 speech to the Women's Canadian Club of Toronto. In agriculture, he said, "a field in which few women have sought technical or professional competence," the percentage of women among undergraduate students increased by nearly 200 per cent in the five years ended 1974 — from 8.5 to 23.4 per cent of enrolment. And enrolment of women in business administration rose by 300 per cent in the period, to reach 15 per cent of students by 1974, he added.

LEGISLATION

CALURA amendments

Responding to complaints from both business and labour, the federal government has introduced amendments to the Corporations and Labour Unions Returns Act. Business has complained about the amount of paperwork required under the Act, and the amendments, introduced Oct. 27, eliminate about 70,000 small Canadian-owned corporations from reporting at all, and simplify the questionnaires for corporations still required to report. International unions have complained that the existing procedures give a disproportionate picture of the percentage of members dues' dollars going to the United States. Under the amendments, inter-

national unions will report all direct receipts from Canadian affiliates and all expenditures directly attributable to their Canadian operations.

The definition of a labour union will be broadened to include any association which has as one of its purposes the regulation of employer-employee relations; labour unions will report membership data on a calendar year instead of the present fiscal year; membership data by union will be made available to federal and provincial departments, to reduce existing and potential duplication of data collection, and unions will be required to report financial information on special funds such as strike and pension funds separately from their general revenues and expenditures.

RETIREMENT

Committee to study retirement age

As the *Gazette* goes to press, we have learned that the Senate has launched an intensive investigation into the effects of enforced retirement at age 65. The Senate committee will look at existing retirement policies, use of flexible retirement plans, implications of mandatory retirement based on age alone, and protection against age discrimination.

Senator David Croll introduced a motion into the Upper House calling for the establishment of a Senate committee to examine existing retirement-age policies in both the public and private sectors of the economy. The 77-year-old senator was chairman of both the

Senate committee on poverty and of the Senate committee on aging, which in 1966 brought down a recommendation for a guaranteed income supplement for the elderly that later became a reality.

As debate opened on his motion, Senator Croll described discrimination based on age as the last great human rights issue to be tackled in Canada.

In the United States, both Houses of Congress recently gave overwhelming support to a bill ending compulsory retirement in the federal public service and providing for more flexible retirement options in the private sector. In Canada, both the Ontario and Manitoba human rights commissions have recommended more flexible retirement policies. So did the Canadian Council on Social Development in a major study published in 1976.

In the Commons, a private member recently introduced a bill calling for raising the retirement age to 70 for some Canadians. Private members bills usually are "talked out," however, and rarely become law.

Arguments in favour of more flexible retirement have included people's increased longevity today compared with the 49-year life expectancy at the turn of the century when Germany pioneered retirement at age 65; inflation, which lowers pensioners' standard of living, and the psychological burdens of idleness and lack of motivation that frequently affect retired people. One of the major arguments raised in favour of retaining compulsory retirement at 65 is that it leaves jobs available for people entering the labour force.

WORKING TIME

U.S. unions to seek shorter workweek

Several major unions are expected to join in a vigorous campaign for a shorter workweek in the United States, to be kicked off by a conference in Dearborn, Mich., next April with 500 delegates expected from most of the country's unions. Groundwork for

the campaign was laid at an Oct. 25 meeting in Detroit of representatives from 50 locals of several unions, among them the United Auto Workers, the United Steelworkers, the Retail Workers, Machinists, Longshoremen and Electrical Workers.

The demand for a shorter workweek, as an alternative to high unemployment, was predicted in a report, by two labor economists, Sar A. Levitan and Richard S. Belous, published by George

Washington University's Center for Social Policy Studies, in Washington, D.C. The report, "Reduced Worktime: An Alternative to High Unemployment?", pointed out that full-time workers in the U.S. have experienced no major reduction in their hours of work since the Second World War.*

**The report is part of a book Spreading the Work, to be published late in 1977, by The Johns Hopkins University Press.*

FEDERATIONS OF LABOUR CONVENTIONS — FALL 1977

Newfoundland

Delegates to the Newfoundland and Labrador Federation of Labour convention, in Wabush, Labrador, Oct. 17-19, adopted without debate a resolution pledging the Federation's continuing support for the New Democratic Party and encouraging its affiliates to become affiliates of the Party also.

The vote came after three speakers attacked Liberal and Conservative policies, and praised the NDP — Julien Major, an executive vice-president of the Canadian Labour Congress, Federation President Tom Mayo, and John Green, the provincial NDP leader.

Major particularly criticized the federal government for not doing more to combat unemployment, and the convention delegates voted for the establishment of a "people's commission" to gather data about unemployment in the province and recommend action to create more jobs. The Federation intends to have the commission hold public hearings in several regions.

Federation statements criticized government unemployment statistics for understating the extent of the problem. The federal statistics do not include people who have not actively sought work during the four weeks before each labour force survey. And anyone who did any work at all — even one hour — during the survey week is counted as employed.

Provincial Labour and Manpower Minister Joe Rousseau, defended his government's labour policies but said he agrees with labour that wage and price controls are "unfair" and that a program is needed that will be "more palatable to labour."

Delegates also adopted several resolutions on on-the-job safety and they called for extension of workmen's compensation benefits to cover partial deafness and replacement of broken eyeglasses. Another resolution said employees of mines or other hazardous workplaces should be given annual medical examinations to detect occupational diseases.

Mayo, a Canadian Union of Public

Employees representative, was returned as president, defeating a bid for the office by Bill Parsons, a representative of the United Steelworkers of America. Others on the new executive include Austin Thorne, secretary-treasurer, and vice-presidents Matt Murphy, Calvin Vincent, Bert King, Daniel Hiscock and Len Leyte.

Nova Scotia

The 250 delegates to the Nova Scotia Federation of Labour convention, in Halifax, Sept. 28-30, took time off from their deliberations to join the Metropolitan Area Coalition of Support for the Unemployed in a protest march through downtown Halifax. Other groups participating in the march by the civic action group included the Halifax-Dartmouth District Trades and Labour Council, the Nova Scotia Women's Action Committee, the Voice of Women, the Halifax Committee of the Unemployed and the Nova Scotia Labour Research and Support Centre.

The parade ended in a noisy demonstration in front of the Canada Employment and Immigration office, where Gerald Yetman, Federation president, said four residents of Cape Breton had recently committed suicide because they could not find work.

The next day, Shirley Carr, executive vice-president of the Canadian Labour Congress, pointed out that the province's unemployment rate was 35 per cent above the national average, and said that only massive public protest would spur government action to tackle the problem effectively.

Provincial Labour Minister Walter Fitzgerald, in his address to the delegates, said the province sought a federal commitment to spend more money in the region. "We are looking for money that will create the wherewithal to enable us to develop our natural resources," Fitzgerald said. "We don't want giveaways. The workers want work."

The delegates adopted a resolution declaring unemployment and regional disparity to be "the real issues of concern and not separatism."

Another resolution called for the establishment of a free-port zone in the Halifax-Dartmouth area. Speakers in support of the resolution said that allowing materials to be imported and manufactured without being subject to Canadian customs — except for Canadian use — would attract international manufacturers who would employ local labour. Federation secretary-treasurer J.K. Bell said such zones had boosted employment in other countries.

Other resolutions called for an immediate end to "unjust wage and price controls," urged

affiliated unions also to become affiliated with the New Democratic Party, asked the provincial government to make it illegal for employers to hire strikebreakers or to continue to operate during a strike, condemned any reductions in health care services, supported proposals for a steel-hulled floating drydock for Halifax built in Halifax shipyards by local labour, and asked that medicare coverage include prescription drugs and dental and optical care.

Yetman and Bell were both returned to office without opposition. Others on the incoming executive include vice-presidents Dan Hood, George Boudreau, Frederick Burgess, Rene Quigley, Norman Hebert, Chester Sanford and Fran Sovoda.

British Columbia

The Canadian Labour Congress manifesto advocating tripartism, adopted by its 1976 biennial convention in Quebec City, was called into question by delegates to the 1977 convention of the British Columbia Federation of Labour, in Penticton, Oct. 31-Nov. 4.

"It is our firm conviction that tripartism is not relevant in present political circumstances," said a policy statement, presented by the Federation's officers and adopted by a majority of the 750 convention delegates. The statement said the CLC should concentrate its political initiatives on "building a more effective democratic socialist vote for the labour movement through the New Democratic Party."

Two days earlier, CLC president Joe Morris, in an address to the convention, had defended the concept of tripartism, under which a stronger labour influence, with government and business, was

sought in social and economic policy. But the Federation officers' statement questioned whether labour could achieve "full partnership status" with business and government. "On any basic question challenging the economic status quo, labour would be outvoted 2-1," it said.

The delegates also adopted a policy statement condemning the provincial Essential Services Disputes Act. The legislation, enacted in September, broadens the definition of essential services, and gives the government increased power to intervene in public sector disputes not only affecting its own employees but those of Crown corporations.

The policy statement calls on Federation affiliates to support any affiliate defying the legislation. It also calls on the Federation to set up its own emergency services advisory council to decide on and guarantee during a labour dispute "the continued delivery of emergency services in line with the practice of the trade union movement."

The delegates also adopted a committee report calling for a wide range of activities aimed at bringing public attention to and government action on the unemployment problem, including a rally at the opening of the 1978 legislative assembly, monitoring and collecting unemployment statistics by each union to assemble reliable jobless data, establishing a \$25,000 fund to help deal with the unemployment situation, and hiring an employment coordinator for the Federation for a three-month term.

The delegates also debated industrial democracy, and though some said the topic should be approached with caution, they adopted a resolution instructing

the Federation's executive council to prepare a report and recommendations on the subject for the 1978 convention.

There was no election of officers at this convention. The current executive was elected in 1976 for a two-year term which expires at the 1978 convention.

Manitoba

The Manitoba Federation of Labour also rejected tripartism in a resolution adopted by its convention, in Winnipeg, Sept. 22-24. And about 300 of the 475 delegates took advantage of one noon-day break in proceedings to join pickets outside the *Winnipeg Free Press*. A local of the Newspaper Guild was certified four years ago to represent 110 employees of the daily newspaper but was still without its first collective agreement.

Julien Major, a CLC executive vice-president, urged the Federation to support a CLC campaign to draw public attention to the unemployment problem and increase public pressure on governments to tackle it. Major attacked "public misconceptions" about unemployment, saying it was "totally false" to assume that a large proportion of unemployed people are voluntarily without work when there is now only one job available for every 25 unemployed people.

Premier Ed Schreyer also addressed the convention, calling


for labour support in his NDP government's bid for re-election in the Oct. 11 voting. (In that election, the government lost power to the Progressive Conservatives headed by Sterling Lyon.) The convention adopted a resolution calling on all affiliated unions "to provide funds and workers and do everything possible" to return an NDP regime. Delegates from the Manitoba Government Employees Association, which has been in several bitter contract disputes with the government abstained from the voting. The convention rejected a resolution from the Association calling on the Federation "to remove itself completely from political affiliates and direct its energies and resources toward the growth and strengthening of unionism."

On the closing day of the convention, however, the delegates joined in adopting a motion to "reiterate the Federation's commitment to work toward equality in all labour legislation" for public service employees "with no conditions attached."

The delegates turned down a resolution calling for a network of free day-care centres "completely financed by the state through levies on employers," but only after a lengthy and sometimes heated debate. Opponents of the proposal argued that children are primarily the family's responsibility, not the state's. The convention did, however, adopt a resolution calling on the government to provide an "adequate" day-care system through increased

funding levels and re-establishment of the ability-to-pay concept.

Other resolutions adopted by the convention called for legislation outlawing the hiring of strike-breakers and banning police assistance to non-union labour entering a struck plant, government policing of union organizing efforts to prevent company interference and automatic union certification if an employer is found guilty of this practice, legislation to encourage province-wide bargaining by unions with the same employer, legislation giving part-time employees the same fringe benefits as full-time workers on a prorated basis, establishment of an Equal Pay for Equal Rights Board to enforce the existing legislation against wage discrimination and broadening of the law to include penalties against employers for non-compliance, increased union efforts to negotiate job evaluation programs with their employers to remove sex discrimination, removal of the sales tax on fuel oil and building materials and a firm government policy of letting contracts only to unionized companies. Another resolution offered full support to the proposed 10-year moratorium on MacKenzie Valley pipeline construction.

There was no election for the office of president this year; the incumbent, Nels Thibault, having been elected for a two-year term at the 1976 convention. Officers elected this year were Paul Williams of the International Brotherhood of Electrical Workers as treasurer, and J.E. Pullen of the Manitoba Government Employees Association as first vice-president. 

The debate over mandatory retirement

by Ed Finn

When German Chancellor Otto von Bismarck originated the social security pension system in 1884, he arbitrarily set the age for receiving benefits at 65.

Other nations, upon following Bismarck's example, also adopted 65 as the qualifying age. Inevitably, employers looking for a suitable age for retiring their workers chose the same time that they would become eligible for a state pension. And so mandatory retirement at 65 became a generally accepted practice in most western industrial countries.

But today it's a practice that is coming under attack by human rights groups, by some politicians and labour leaders — and, most importantly, by older people themselves.

These critics charge that forced retirement at 65 — or, indeed, at any age — is an infringement of human rights, that it is a form of discrimination. They point out that, back in Bismarck's time, life expectancy at birth was only 37, and that very few persons lived beyond the age of 65. Today the numbers of healthy, active people in their 60s, 70s, and 80s are in the millions. Even if such major killers as cancer and heart disease are not conquered, the over-65 group in Canada will grow to 10 per cent of the population by the year 2000.

Not all older people want to work beyond 65. But many retirees, because of inadequate pensions and the ravages of inflation, are compelled to seek jobs to augment their incomes. Others

Ed Finn, information director for the Canadian Brotherhood of Railway, Transport and General Workers union, writes a regular column on labour for The Toronto Star.

have a genuine psychological need to keep working — so much so that some have reportedly been driven to suicide by their enforced inactivity.

Whether they want to work after 65 or not, most workers resent being denied the choice. They would like to retire at a time that suits them rather than their employer, their union, or their government. And because their numbers are growing, and with it the power of their votes, they are bringing strong pressure to bear on politicians to raise the mandatory retirement age, or do away with it altogether.

It's being called "the revolt of the old," and it's causing as much controversy as the so-called youth revolution did in the 1960s. The labour movement in particular is split down the middle on this issue, and so are most political parties, welfare agencies, and the news media.

The debate assumed a new urgency last fall with the passage of a bill by the United States Congress that extends the permissible mandatory retirement age from 65 to 70 in private industry, and allows federal civil servants to work beyond 70. This law, when it comes into effect in mid-1978, will have far-reaching consequences on American society, on its economy, and on the role of its "senior citizens."

As William M. Mercer Ltd. noted in



"Mandatory Retirement"

its monthly actuarial bulletin, "the significance (of this law) lies in the fact that the federal and provincial governments in Canada seem to be following the example of the 'Equal Employment Opportunity' legislation in the United States."

Don McGillivray, financial columnist for the Southam newspapers, has also predicted that Canada will eventually follow the U.S. example. He cited several American innovations — such as the Peace Corps, the "war on poverty," and the imposition of peace-time wage and price controls — which Canada later emulated. "If you want to know what's next for Canada," he said, "look south."

...forced retirement at 65...is an infringement of human rights...

The overwhelming support given the U.S. legislation surprised and shocked most observers of the Washington scene. A U.S. Labor Department official admitted that "it hit us like a bolt from the blue, and quite honestly we don't know how this is going to affect problems like chronic youth unemployment, sex discrimination, and shifting consumer patterns. Nobody knows."

In Canada, mandatory retirement under civil law is considered a basic management right — but it's not as sacred as it used to be. Human rights commissions in several provinces have started to challenge it, and in some cases have forced employers to reinstate workers who were let go because of their age.

The Ontario Human Rights Commission has openly denounced compulsory retirement at 65, and has urged that it be banned. The commission has upheld appeals

...the over-65 group in Canada will grow to 10 per cent of the population by the year 2000

from firemen against being pensioned off at 60, and an *Oshawa Times* employee was reinstated in his job after a ruling that his retirement at 65 was contrary to an anti-discrimination clause in a contract with the Newspaper Guild.

Most provincial human rights codes do not extend protection against age discrimination beyond 65. Manitoba is as yet the sole exception. Its legislation covers persons of all ages, but so far has been applied only to those over 65 who have no private pension. It will be extended, however, to employees covered by a benefit program, as soon as guidelines and regulations are approved.

Last June, in a precedent-setting case, an employer — Flyer Industries Ltd., in Winnipeg — was ordered to make a cash settlement to a worker forced to retire at 65, when a provincial board of adjudication ruled that the company had violated the province's Human Rights Act.

In British Columbia, while the age discrimination ban is limited to persons under 65, a blanket clause in the law forbids any discrimination "without reasonable cause." Some lawyers feel that the blanket clause overrides the age 65 limitation, and it may be only a matter of time before the B.C. Supreme Court makes a ruling to that effect.

Kathleen Ruff, director of the B.C. Human Rights Commission, says such a ruling "would open up the floodgates for cases disputing mandatory retirement at 65."

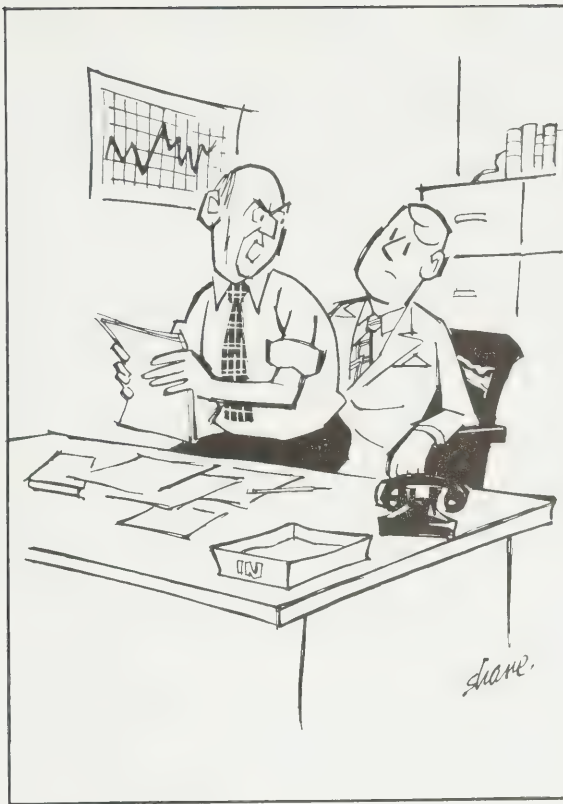
While most other interest groups are divided on this issue, the business community seems virtually united in its opposition to any legislation that interferes with the managerial right to retire employees at 65.

Business spokesmen contend that the U.S. bill will clog the channels of promotion, will deny advancement to younger employees, and will force companies to become harsher in rating the performance of older workers. If age is removed as the criterion for retirement, they argue, then efficiency and health will have to be substituted. Employees will have to undergo a medical checkup every year to establish their ability to stay on the job. And they'll have to measure up to strict performance standards.

One oil company official put it this way: "Let's face it — people's productivity begins to drop as they get older. You'd have a messy situation with no mandatory retirement forcing out the nonproducers."

Even under present U.S. laws, many companies have been forced to pay millions of dollars in back pay to employees let go before 65. The new legislation raises business fears of an upsurge in lawsuits by older employees who are fired or retired for cause. Executives don't relish having to go to court to belittle an employee who has served the company well for many years.

Some union leaders also dread the prospect of having their older members subjected to periodic medical checkups and performance tests to justify their continued employment. They can visualize the extension of the mandatory retirement age to 70 as more of a threat than a boon to workers whose capabilities tend to decline with advancing years.



"Couldn't you at least wait until I actually retired?"

The AFL-CIO had fought previous attempts to change the retirement age, because of the sweeping effects it would have on negotiated pension plans, as well as on the already dismal job prospects of the young. But that traditional labour opposition wasn't mounted against the most recent bill. The 83-year-old president of the AFL-CIO, George Meany, said bluntly that "we won't lift a finger to stop it."

It's not just a question of aging labour leaders identifying with the interests of older workers. Unions have always been strong supporters of human rights, and have been persuaded in recent years that forced retirement — at least in some cases — does indeed infringe upon a basic right: the right to work.

The Canadian Labour Congress, in a brief presented to the Commons Justice and Legal Affairs Committee last May, urged that the Canadian Human Rights Act be amended to disallow refusal of a job to anyone solely because of age.

Questioned by MPs, CLC officials made it clear they weren't advocating that all employees work till they die. They felt, however, that the age of retirement should be made flexible, and determined by several factors, not the least of which would be the wishes and needs of those affected.

CLC Vice-President Julien Major observed wryly that there are several well-known MPs and Senators who are well above 65 and who are still performing quite effectively.

"On the other hand," he said, "there are very difficult and hazardous jobs, such as asbestos mining, where the retirement age should be much earlier than 65. The health of a person, the kind of job he holds, as well as his personal desires and financial needs, should all be taken into account in deciding the most suitable age for retiring."

The inadequacy of so many private pensions is probably the main reason for the growing resistance to retiring at 65. Most workers — even those with relatively generous pensions — have to take a substantial cut in income when they're chopped from the payroll. And, unless they happen to be civil servants, they have to cope with a steady erosion of the value of their fixed incomes by inflation.

In its brief, the CLC put forward the principle that "retirement should be based on the positive inducement of an adequate pension," rather than on an arbitrary retirement age.

The labour movement has traditionally favoured earlier retirement, so that more jobs could be opened up for young people entering the work force. But that policy has always been conditional on the provision of pensions sufficient to assure a decent living standard.

The ambivalence of organized labour's present stand on this issue may be illustrated by quoting recent statements by Bert Seidman, director of the AFL-CIO's department of social security, and by Patrick Kerwin, director of political education for the CLC.

"A specified retirement age set by a collective agreement shouldn't be regarded as compulsory," said Seidman. "It's a group decision mutually arrived at.... Labour and management are best equipped to

work out retirement problems unique to their industries through the collective bargaining mechanism.

"It may be unjust to force retirement upon those who are healthy and wish to continue working," he added. "But it may be equally unjust to lay off younger workers with families to support and retain elderly workers who are eligible for social security benefits, a good private pension, and health care."

Kerwin, in an article in the CLC's official journal, *Canadian Labour*, referred to mandatory retirement as "agism in disguise."

"It works more hardship on unionized workers who are forced out of good-paying jobs than on professionals or managers who tend either to continue in employment or to secure lucrative contracts for consultation," he wrote.

After discussing some of the hardships inflicted on workers forced to retire on meagre pensions, Kerwin declared: "The solution lies in a retirement age that is flexible above 65 as well as below.... What we should seek are options for people. Adequate pensions are the basis of any real option, but we should not accept a rigid formula that denies people real alternatives. Agism is to be defeated neither by forcing older persons to retire at 65, nor by forcing them to work."

This view, however, is by no means universally held by Canadian unionists. Many labour leaders remain opposed to any tinkering with the present mandatory retirement age. They argue that it would expose workers to even more arbitrary management decisions, based on medical and capability tests, and that it would bar the job opportunity door to even more young people, and to minority groups.

Whether they want to work after 65 or not, most workers resent being denied the choice

Typical of those unionists who favour retention of the existing retirement age is Jack Pickett, a vocal member of the United Transportation Union in Edmonton. He contends that the present policy is essential for opening up jobs to the young.

"We're told that mandatory retirement is unfair to older workers," he said, "But what about the young person who can't find a job because a senior worker decides to keep on working till he's 70? Those who sympathize with the plight of retired people don't seem to care about the young men and women who are seeking jobs so they can get married and raise a family."

Some demographers predict that, because of the declining birth rate, the problem of high unemployment among the young will correct itself, and that actual manpower shortages may develop in many industries by the early 1980s. But unionists remain skeptical.

Says the UTU's Pickett: "Such factors as automation and the rising cost of fuel will more than offset the effect of the lower birth-rate in reducing unemployment."

He pointed to Canadian National Railways, which has trimmed more than 50,000 workers from its payroll since 1952, but moves more tons per mile than ever.

Emotions run high when the interests of the old seem to threaten the interests of the young. But everyone eventually ages, and the conflict between the two extremes may be more apparent than real.

Old age can be as much a state of mind as a physical condition. Persons who reach their 50s and 60s sometimes start to perceive themselves as being less energetic and healthy than before — and that perception then becomes a self-fulfilling prophecy. The looming approach of a compulsory retirement date can hasten that sort of self-induced breakdown.

Charles Whipple, the *Boston Globe* ombudsman, claims that mandatory retirement creates employees in its own image. "I've seen employees who, if it weren't for approaching retirement, would continue to be loyal and efficient workers," he said. "Because of it, they have lapsed into premature senility. They walk around like zombies just waiting for the day they retire."

The inadequacy of so many private pensions is probably the main reason for the growing resistance to retiring at 65

Workers in their last decade before retirement thus come to feel some kinship with those already retired. Says columnist McGillivray: "This group — about 2½ million in Canada — will grow, too, so that the combined voter strength behind an 'oldster' lobby could be 6 to 7 million — more than enough to swing a federal election."

Claude Pepper, the 73-year-old Congressman who sponsored the bill raising the mandatory retirement age in the U.S. to 70, probably did not overstate the strong feelings held by his age group when he made the following statement to the National Council of Senior Citizens last June:

"Mandatory retirement is a cruel euphemism camouflaging age discrimination and forced unemployment. With the surety of a guillotine, it severs productive persons from their livelihood, diminishes their self-worth, and squanders their talents. The elderly of this country who want to work and are able to work deserve the opportunity to work. They are tired of platitudes. They demand action."

While there has so far been no such ringing declaration on behalf of the over-65 group by a Canadian political champion, it is no secret that some Canadian senators in their 70s and 80s look favourably on similar legislation here to raise the mandatory retirement age.

Laurence Coward, a consulting actuary and executive vice-president with William Mercer Ltd., though admitting that the campaign for such legislative action is only starting to gather steam, predicts that "pressure in this direction is very strong, and it's going to prevail."

That forecast is echoed by James Walker, a specialist in human resource planning with Towers, Perrin, Forster & Crosby. His advice to employers is not to gamble that a ban on mandatory retirement will be avoided. "Employers are well advised to get ready for flexible retirement," he says bluntly.


Companies, of course, will retort that this is much easier said than done. And so will unions. The issue is much broader than the age of retirement. It involves the adequacy of pensions, their indexing to the rate of inflation, the selection of fair and accept-

"...With the surety of a guillotine, it severs productive persons from their livelihood, diminishes their self-worth, and squanders their talents"

able alternative criteria for determining a retirement date, the problem of creating jobs for the young, pre-retirement counselling, and even such matters as extended vacations and sabbaticals, the provision of "second careers" and part-time work, and the conditions of nursing homes and other institutions for the aged.

Rather than have such a far-

reaching development sprung on us suddenly, as has happened in the U.S., it would be advisable to assign a task force or Royal Commission or joint Senate-Commons committee to make an in-depth study of the mandatory retirement issue and all its ramifications.

Its findings and recommendations will not likely reconcile differing views on this thorny subject. But at least they will ensure that all points of view will be heard and studied before legislation is drafted. Considering the enormous complexities involved, that may be all we can reasonably expect in the way of preparation for such a momentous social change. 



"You tell me I have to retire after 51 years with this firm — why didn't you tell me the job was temporary?"

Adapting to a changing world

by Eric Trist

People and the organizations they build are having to learn to cope with a quality in the environment that has become increasingly salient in recent years. This quality, which may usefully be referred to as *turbulence*, arises from the growing interdependence and complexity and the resulting higher level of uncertainty that exist in the world today. Among other factors, this turbulence is being induced by the accelerating rate of technological change. To put it succinctly, we have lost the *stable state*, and in order to regain it and reduce environmental turbulence, we can less and less depend on our inherited organizational values and forms. We have to seek new ones. Improving the quality of working life (QWL) is an essential part of the search for alternative organizational patterns.

As a consequence, in advanced industrial countries people are increasingly becoming concerned with the substitution of new ways for old in the world of work. These ways include collaborative rather than competitive values, participant management styles, trans-bureaucratic organizational forms, systems of shared power and control, and new principles of job design. Together these are aimed at creating work which is worth doing for its own sake by everyone in an organization. In short, a new work ethic is beginning to emerge, concerned with the quality of life in the workplace as a central part of the quality of life as a whole.

In the face of these developments, we have two broad choices. The first is to leave the vast bulk of jobs that must still be done in the

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manufacturing and service industries in the dull and monotonous state in which they exist at present, while maintaining a scale of pay that enables satisfaction to be sought elsewhere. Unfortunately, this position still reflects a majority view, which accepts a low QWL for the many.

The second choice is to redesign jobs and organizational forms so that the majority rather than merely the privileged few can do work which is meaningful and fulfilling, while at the same time maintaining a high level of performance. This position reflects the minority but emerging view. It does not accept a low QWL for the many.



"Remember, Bogs, labour can work without anyone managing, but management can't work without anyone labouring!"

Alienation, a sort of non-work ethic, has been increasing in the postwar period, especially among the younger generation whose expectations and experiences are different from those that arose under the conditions of scarcity that characterized the Depression years. Attitude surveys in several countries indicate that only the older worker continues to be willing to trade off dehumanizing work simply for good wages and employment security.

The problem is not simply that of either 'adjusting' people to technology or technology to people; it consists of organizing the man-machine interface so that the best match can be obtained between both. Rather it is essential that the whole socio-technical system — of which both technologies and humans are parts — be effectively 'optimized'. This is necessary at all levels and in all types of technology: the 'mediating' technologies with which the service industries are concerned, the intensive technologies with which professional and R&D organizations are concerned, as well as the 'long linked' technologies which form the basis of manufacturing. The task, in essence, is one of *joint optimization*.

The human individual has work-related needs other than those specified in a contract of employment (such as wages, hours, safety, security of tenure, and so on.) These *extrinsic* requirements, shown on the left of Table 1 form the legacy of the old work ethic. In addition, a variety of psychological requirements or *intrinsic* factors must also be met if the new work

ethic is to develop. These intrinsic factors, which are shown on the right side of Table 1, include:

1. The need for the job to be reasonably demanding in terms other than sheer endurance and to provide a minimum of variety (not necessarily novelty, which is too much for some people though the spice of life for others). This is to recognize enfranchisement in problem-solving as a human right.
2. The need to be able to learn on the job on a continuing basis. Again, this is a question of neither too much nor too little, but of matching solutions to personal requirements. This is to recognize personal growth as a human right.
3. The need for some area of decision-making that the individual can call his own. This recognizes the opportunity to use one's own judgment as a human right.
4. The need for some degree of social support and recognition in the workplace, from both fellow workers and bosses. This recognizes 'group belongingness' as a human right.
5. The need to be able to relate what one does and what one produces to one's social life. That is, to have a meaningful occupational identity which gives a man or woman dignity. This recognizes the opportunity to contribute to society as a human right.
6. The need to feel that the job leads to some sort of desirable future (not necessarily promotion). It may involve training or redeployment — a career at shop floor level leading to the development of greater skill. This recognizes hope as a human right.

TABLE 1
PROPERTIES OF JOBS

Extrinsic	Intrinsic
Fair and adequate pay	Variety and challenge
Job security	Continuous learning
Benefits	Discretion, autonomy
Safety	Recognition and support
Health	Meaningful social contribution
Due Process	Desirable future
—	—
Conditions of Employment	The Job Itself
Socio-economic	Psycho-social

These psychological needs and associated human rights are not confined to any one level of employment. Managers also need a high QWL. However, it must be recognized that it is not always possible to meet these needs to the same extent in all work settings; nor, indeed, do all kinds of people need them to the same degree — individual differences are considerable. Furthermore, these needs cannot always be

...we have lost the stable state and in order to regain it...we can less and less depend on our inherited organizational values...

judged from conscious expression such as that given in responses to attitude surveys about job satisfaction. Where there is no expectation that any of the jobs open will offer much chance of learning, a person will soon learn to 'forget' such a requirement. It is difficult to accept as real something one has not yet experienced. Nevertheless, a high QWL may still be built

in terms of these factors — so long as the factors on the extrinsic list are also satisfied. Together they constitute the necessary and sufficient conditions for a high QWL — at the job or task level.

One popular approach to QWL has been through job enrichment, which is concerned with altering the boundaries of jobs so that the tasks included make a more complete whole, giving the worker more variety, more information, more decision-making and more autonomy than he or she previously enjoyed. Job enrichment entails considerably more than job enlargement and job rotation, though it may include both. All these activities, however, have centred on the individual rather than the group. Moreover, they have not in their orthodox form embraced participation but avoided it — the "enriching" has been devised solely by the experts hired by management.

When job enrichment projects include participation they become congruent with autonomous work groups. The project that brought together in a fully participative

context the various findings concerning autonomous work groups and job enrichment in order to develop a first comprehensive model of work-linked democracy has become known as the Norwegian Industrial Democracy Project.

The project, which began in 1962 and is still proceeding, grew out of a crisis between the Norwegian Confederation of Employers and the Norwegian Confederation of Labour over a sudden increase in the demands for workers' representation on boards of management, initially proposed as a way of reducing alienation and increasing productivity. The two confederations (later joined by the government) requested the assistance of social scientists in order to gain a better understanding of what ordinarily would have been treated as a political problem. Research plans were drawn up in conjunction with representatives of the two confederations. Their participation in every step was crucial as the project entailed securing a very full understanding by the leadership of both sides of Norwegian industry of the findings as they became available. Effectively, the ownership of the project became theirs, a situation that is "a must" in the strategy of QWL.

The first phase consisted of a field study of what actually happened in the five major concerns where workers were represented on the boards. These were government-owned or part-owned enterprises obliged by law to have workers' representatives. The findings suggested that though such representation was positively valued for its own sake, there was nevertheless no increase in participation by the rank and file, no decrease in work alienation, and no increase in productivity, all results that have since been confirmed by other studies.

The widespread public discussion of the results opened the way for the second phase of the project:

"to search for ways of securing improved conditions for personal participation in a man's immediate setting as constituting a different and perhaps more important basis for the democratization of the work place than the formal systems of representation which seemed to have reached their limit at least for the time being."

Our traditional organizations follow the technological imperative, which regards man simply as an extension of the machine

This led to the idea of field experiments in selected plants in key industries, which, could serve as demonstration models for diffusion purposes. This method has since been widely followed in QWL projects in other countries, though it has recently been found to have serious drawbacks in that the high profile sites tend to become encapsulated.

One experiment of interest took place in the pulp and paper industry. A sophisticated chemical plant was selected where the basic work to be considered was information handling — the core task in the technologies of the post industrial revolution based on information and automation. Under these technologies, the requisite skills are perceptual and conceptual, while the requisite work organization is one capable of handling the complex information flows on which controlling the process depends. This requires immense flexibility as well as a high capacity for self-regulation. In

the experimental plant a number of the key process uncertainties or variances were not being effectively controlled by the social system — that is by the men and their managers — nor indeed had some of the most important of them even been identified. The research team therefore had to engage those concerned in evolving a form of organization that would bring as many of these variances as possible under the control of the primary work groups.

The model was developed of a joint management-labour 'action committee'. This appointed a task force consisting of operators, supervisors and two specialists as collaborating interdependent resources to fashion an optimum work organization for a new technology while they were learning the know-how of its operation. This demonstration of the problem-solving capability of a self-regulating work group was a major advance on what had so far been shown. Indeed, this model has become the basis of much that has happened since in several countries, including much of what is at present being done in the U.S.

The next step was taken at Norskhydro, the largest enterprise in Norway, which manufactures fertilizers and other chemicals. Here a whole plant rather than just a department was taken as the system to be changed. The work practices of an old plant were refashioned and the entire range of organization and operating procedures were developed for a new one. The first of these tasks proved more difficult than the second, a fact that has since been found in a number of other plants. Indeed, to change values, attitudes, work customs and organizational arrangements in established plants, as total systems, appears

to be one of the most difficult tasks in QWL. In some circumstances it does not work out at all, despite sedulous efforts, while in others it is painfully slow.

An additional innovation of the experiment was the fact that in the new plant a radically new principle of wage payment was tried out, namely paying people for what they know rather than for what they do. This idea opened up a new concept of pay, which has since been tried out in several countries, including the U.S., where it has been used in General Foods' Topeka plant. Under the system, it was recognized that as a man learned to perform more tasks

In the traditional organization each member has...to compete with and defend himself against everyone else...

he became more valuable, and hence was worth more money. The aim was to build up an all-round capability in the work force which would not only allow its members to be flexibly deployed according to the needs of a changing technological and economic environment, but would also enable them to contribute to the continuous improvement of the operation. This

project demonstrated what might be achieved when an industrial organization is deliberately developed as a 'continuous adaptive learning system' in which the planning process takes on a 'transactive' character involving all concerned. This mode, again, has become the basis of much that has happened since in work and organizational design, in many countries.

Still another experiment is the more recent work in the shipping industry concerned with the design and experimental trial of sophisticated bulk carriers. This has led to a further innovative step, for in this case many technological alternatives were available, but the chosen design was that which met most fully the needs of the small shipboard community which had to live together under isolated conditions 24 hours a day for considerable periods of time, while simultaneously undertaking all the work tasks. Their needs were shown by preliminary studies to be of overriding concern. A common recreation room — as well as mess — was established, where all ranks could socialize (and drink together rather than be isolated with a bottle in the cabin). Deck and engine room crews were thus integrated, and status differences between officers and men were reduced, or even eliminated through the development of open career lines on one or two "all officer" ships. Serial career structures also have been accepted, and training for a future job on shore can now be begun at sea.

This project shows how the properties of the required social system may become the starting point for technical design. We can actually start with QWL, for we now have the technologies to do it. This model is likely to influence plant design more and more in the



'Yes, Harry, we're most impressed with your performance — I can see it all now. You and me, arm in arm, marching forward to a brave new tomorrow.'

future. Volvo and Saab-Scania for example, were led to seek alternatives to the assembly line because Swedes would not work on the lines. Their job turnover and absenteeism were much too high, while foreign workers caused too much "re-work" and created social problems. So the engineers were asked to think again — not alone, either, but in composite design teams.

One finding of all the Norwegian experiments was the strong resistance encountered amongst middle management, and particularly by those who perceived themselves as likely to be adversely affected. Thus a positive reorganization of roles and career prospects at this level had to be worked out. The problem is still not completely resolved, however. It has haunted QWL endeavours everywhere, for supervisors and specialist staff are generally employed in traditional bureaucratic and technocratic organizations in numbers that are surplus to the requirements of innovative democratic organizations. Very often the manning level in the work force is also lower — sometimes much lower. This is one consequence of participation with which we must learn to deal, at least if we are determined to secure a high QWL for the many rather than the few. It means removing feather bedding, while facing up to the issue of job security. It also means working out desirable futures for those who may otherwise be adversely affected — or resistance will very soon put a stop to innovative schemes.

Thus, how to sustain innovation, when the wider organizational context is not as supportive as it might be, is another of the critical areas that the QWL enterprise needs to learn far more about than it does at present.

More than enough experience and research evidence is available to suggest that small isolated QWL projects in component parts of an organization do not survive in an alien organizational context. For example, some 70 such projects, most of which were doing quite well, and some very well, have faded away in the last three years in one large organization that I have recently studied. In this case, individual managers began to initiate small QWL projects some

The old paradigm is based on technocratic and bureaucratic principles, the new on socio-ecological and participative principles

ten years ago without much support higher up or even from colleagues. The organizational context was not changed. However, this is essential. It means undertaking systemic transformation and that entails abandoning the philosophy on which the old organizational paradigm is based and working towards a new philosophy that will guide the operational realization of the new paradigm of QWL. To this task the support of top management is essential.

What have we learned about diffusing a higher quality of working life into the organization as a whole? And what lies ahead?

Table 2 sets out the key features of the new organizational paradigm, which can potentially lead to a high QWL for all members of the enterprise. They contrast strongly with those of the old organizational paradigm, set out on the left, and which has been instrumental in constraining most employees to a low QWL.

Our traditional organizations follow the technological imperative, which regards man simply as an extension of the machine and therefore as an expendable spare part. By contrast, the emergent paradigm is founded on the principle of joint-optimization, which regards man as complementary to the machine and values his unique capabilities for appreciative and evaluative judgment. He is a resource to be developed for his own sake rather than to be degraded and cast aside, for as my former Tavistock colleague Phil Herbst has aptly observed, "the product of work is people" and a society is no better than the quality of the people it produces.

Traditional organizations are also characterized by maximum work-breakdown, which leads to circumscribed job descriptions and single skills — the narrower the better. Workers in such roles are often unable to manage the uncertainty or the variance that characterizes their immediate environment and they therefore require strict external controls. Layer upon layer of supervision comes into existence, supported by a wide variety of specialist staffs and formal procedures. A tall pyramidal organization results, which is autocratically managed throughout, even if the paternalism is benign. By contrast the new paradigm is based on an optimum task grouping, which encourages multiple broad-ranging skills. Workers in such a role system become capable of a much higher degree of internal control, having flexible group resources to meet a greater degree of environmental variance. This leads to a flat organization characterized by as much lateral as vertical communication. Moreover a participative management style emerges, with the various levels mutually articulated rather than arranged in a simple hierarchy.

TABLE 2

OLD PARADIGM	NEW PARADIGM
The technological imperative	Joint optimization
Man as an extension of the machine	Man as complementary to the machine
An expendable spare part	A resource to be developed
Maximum task breakdown, single, narrow skills	Optimum task grouping, multiple, broad skills
External controls (supervisors, specialist staffs, procedures)	Internal controls (self-regulating subsystems)
Tall organization chart, autocratic style	Flat organization chart, participative style
Competition, gamesmanship	Collaboration, collegiality
Organization's purposes only	Members' and society's purposes also
Alienation	Commitment
Low risk taking	Innovation

In the traditional organization each member has first of all to compete with and defend himself against everyone else, whether as an individual or as the member of a functional group — maintenance versus production, staff versus line, and so on. Rewards of promotion and privilege go most of all to those who, in the metaphor of Michael Maccoby's recent book, are 'gamesmen'. They excel in playing the political game of the organization. Co-operation, though formally required wherever tasks are interdependent, takes second place as a value. The new paradigm, by contrast, gives first place to coping with the manifold interdependencies that arise in complex organizations. It therefore values collaboration between groups as well as collegiality within groups. It encourages the establishment of a negotiated order in which multiple and mutually agreed tradeoffs are continuously arrived at.

Traditional organizations serve only their own ends. They are, and indeed are supposed to be, selfish. However, the new paradigm imposes the additional task on them of aligning their own purposes with those of the wider society as well as with those of their members. By so doing they become both 'environmentalized' and 'humanized', and thus become more truly purposeful, rather than merely remaining the impersonal and mindless forces that are increasing environmental turbulence.

A change in all these regards from the old paradigm to the new brings into being conditions that allow commitment to grow and alienation to decrease. Equally important is the replacement of a climate of low risk-taking with one of innovation. This implies high trust and openness in relations. All these qualities are mandatory if we are to transform traditional techno-

cratic bureaucracies into a continuous adaptive learning system. And this *is* the central task.

This transformation is imperative for survival in a fast-changing environment. It involves nothing less than the working out of a new organizational philosophy.

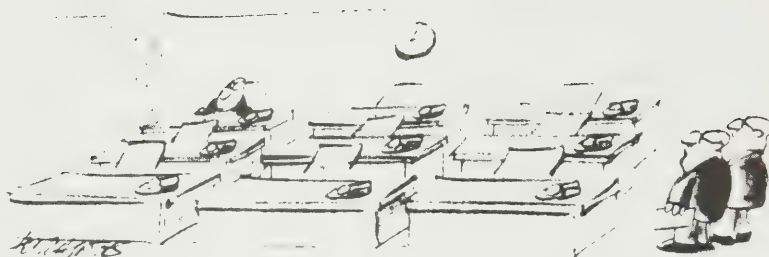
I use the term philosophy advisedly to indicate that far more is involved than methods or techniques. These of course have their place, but a philosophy involves questions of basic values and assumptions. Those of the new paradigm are radically different from those of the old. The old is based on technocratic and bureaucratic principles, the new on socio-ecological and participative principles. Each sub-system has a wide repertoire of response capability. It can thus better meet uncertainty and contain turbulence. This is one of the most

important features of self-regulating systems of autonomous work groups and of open mutually articulated levels. The old is geared to the requirements and characteristics of industrial societies as these have been fashioned historically. The new is geared to the requirements and characteristics of the emerging post-industrial order. At present we are in a transition channel between the two. A transition channel is always an uncomfortable place to be, full, as it is, of incompatibilities on the one hand and mirages on the other. It is no wonder that we have lost the stable state.

But I do not believe that the move towards a higher QWL as a central part of a broader quest for a higher quality of life is a mirage. It is a main way of absorbing environmental turbulence and so of regaining a more stable state.

In Norway the trend has been persistent and growing in strength for more than 15 years; in Sweden and one or two other countries for 10 years; in several others, including the U.S., for five years. Moreover, this trend does not appear to be reversible.

Nevertheless, it will be some considerable time before the new paradigm fully establishes itself as the dominant force in any country, even in Scandinavia. To change from the old to the new way involves a long and arduous process with many setbacks and disappointments, especially in transforming established organizations. A number of rearguard actions will be doggedly fought by those among both management and labour who want to have nothing to do with the new way at any price, including the price of



"Shame about Crenshaw, the only one in the department who's completely loyal, punctual and never takes a day off — but incredibly incompetent."

not doing very well as regards productivity.

The danger is that the required changes will come about too slowly to avert a degree of organizational dysfunction which will have serious consequences, economic and social, for the wider society. We have learned a great deal in the last two decades about facilitating organizational change. Much progress has been made in the field of organizational development; but we do not know very much yet about bringing about in large organizational populations the type of paradigm shift with which this paper has been concerned.

The prime importance of improving job security, if the support of organized labour is to be won, has been learned

Let me mention two portents of hope. First, the QWL movement has weathered the recent recession. There have been setbacks here and delays there but the movement has been far stronger in 1976-77 than it was in 1973-74. The prime importance of improving job security, if the support of

organized labour is to be won, has been learned.

Finally, we are passing into the era of a conservator society. This makes it more necessary than ever to develop to the full our human resources and so to learn to do more with less.

I believe this message about the enhanced importance of human resources is beginning to get through to an increasing number of people. Moreover as it does, a higher QWL will more easily become the goal for the many rather than the few, and as this happens, a critical enabling condition will be brought into existence that will help us to achieve a future more desirable than some that would otherwise be in store for us.

For myself, I am willing to be patient and modestly hopeful as regards the future of the new paradigm. In any case it is better to try to improve rather than simply bemoan the human condition, however much man may fall short of perfectability. That short fall need not prevent us from achieving a higher QWL for all in a work-a-day world, and thereby making life in the work-place both more pleasant and more relevant to human purposes. [g]

The advantages of expedited arbitration

by Roy LaBerge

At least part of the current national consciousness of the problems of grievance arbitration can be attributed to a conference sponsored in 1974 by McGill University's Industrial Relations Centre. Delegates to that meeting heard a succession of speakers reiterate the now familiar complaints that arbitration is too costly and too time-consuming, and that by delaying justice, it in effect denies it. This year, the centre sponsored a "mini-conference" on the same topic, but on a more positive note. Its theme was "expedited" arbitration.

At the fall 1977 conference in Montreal, speakers from the education, steel, rail, shipping and garment industries described techniques that are producing prompter and less costly arbitrations. They did not claim that all the problems of arbitration have been solved by these techniques, but said the parties were more satisfied with them than with the lengthier and usually more formal procedures used in other areas of grievance arbitration.

George W. Adams, an arbitrator and law professor at Osgoode Hall Law School in Toronto, succinctly summed up the major complaints that have brought arbitration procedures under closer scrutiny in recent years:

- It is said that the process is too slow. Three to five months often expire from the date a sole arbitrator agrees to hear a matter to the day the award is completed.

Tripartite boards take considerably longer.

- During this period of time the management decision stands. This can produce significant hardships in many situations, particularly those involving discharge. It has also been charged that some employers "stonewall" all grievances to take full tactical advantage of the inevitable delay.

- Employers have immediate and publicly subsidized access to public tribunals to enforce the no-strike pledges of trade unions. This inequality in remedies is perceived as unfair.

- The fees charged by private arbitrators bear no relation to the significance of the dispute before them but rather to the arbitrator's "opportunity cost" in not pursuing other matters. Accordingly, a large volume of relatively minor matters cannot be pursued for economic reasons, and it is again charged that many employers take full advantage of this fact. Therefore, forced to use grievance arbitration by a public statute, many trade unionists now feel the public should pay the cost of that system.

The fees charged by private arbitrators bear no relation to the significance of the dispute before them.... Accordingly, a large volume of relatively minor matters cannot be pursued for economic reasons

- The resulting extensive backlog of grievances burdens the collective bargaining process, creates internal problems for the trade unions, and may be a contributing factor to the substantial number of man-days lost due to mid-term illegal conflict.

- Associated with complaints about the delay and increased costs, is the criticism that the system is becoming entirely too technical, too legal, and that this reflects the dominance of the legal profession instead of serving the interests of the parties themselves.

- There has been some suggestion that the method by which arbitrators are paid is improper. It is said the payment of judges by the parties distorts the adjudicative process.

Adams holds that many of the problems of grievance arbitration arise from the very structure of the industrial relations system. An example, he says, is the system's "division of labour": Labour boards deal with certification, unfair labour practices and unlawful strikes; arbitration boards with grievances; mediators with negotiations; and courts with various kinds of unlawful conflict. "But in fact," he notes, "these substantive jurisdictions are very much inter-related when it comes to ascertaining the cause of conflict, which may in turn mean that no one tribunal has either a sufficient appreciation of the conflict or an adequate jurisdiction

to get at the root of the problems that constantly 'bubble up' before it."

Another problem built into the system is specialization: "A virtual phalanx of technocrats or experts... has been spawned to operate the system. Labour relations in each of its compartments is a full-time occupation and the legal and monetary implications inevitably mean the involvement of lawyers and the courts, as well as other enforcement agencies. The resulting ascendance of professionals has meant that the system has drifted out of control of the immediate parties in many instances and away from the values and norms of the workplace."

To Adams, the best future for arbitration lies neither in leaving it to private arrangements by the parties nor submitting it to some public forum, but in a mix of the two: "I have real doubts about the ability of private initiative to make significant changes in the system as a whole, although isolated relationships have and will continue to make great gains. As a result, I think the involvement of a public tribunal is inevitable, indeed possibly desirable, and the remaining question for me becomes: Should it have an exclusive, a competing, or an integrated jurisdiction with private arbitration? ...In responding to this question, I take the view that the reform ought to be broad enough to redress the problem and, having done that, as much of the private nature of the process as possible ought to be preserved."

Adams believes this approach to be consistent with the trend of other public involvement in Ontario, "in the sense that we have such intervention only in the construction and health and safety areas, where private initiative seems to be floundering."

An extensive backlog of grievances may contribute to the substantial number of man-days lost due to mid-term illegal conflict

A.C. Sinclair, Labour Canada's chief of arbitration services, presented an overview of grievance arbitration in Canada and described proposed amendments to the Canada Labour Code intended to improve the process and to provide a clear statutory framework for its operation.

One amendment would give the Minister of Labour statutory authority to appoint arbitrators and arbitration board chairmen in specific situations where the parties have failed to reach agreement by themselves on a selection. Such action by the Minister is not a statutory requirement now, although the collective agreements negotiated by the parties usually provide for it.

Another amendment would establish a 60-day deadline between the appointment of an arbitrator or a chairman of an arbitration board and the rendering of the arbitration award. Another would require that, where a collective agreement does not contain a provision for arbitration, an unsolved grievance would be referred to a sole arbitrator selected jointly by the parties or, if they could not agree, by the Minister, at the request of either party. Under the current code — and following application by a party, where there exists no arbitration clause — the Canada Labour Relations Board is required to furnish an arbitration provision in a collective labour agreement that does not have one.

Sinclair also described the

extensive research that Labour Canada has initiated into various forms of "industry" and "expedited" grievance arbitration mechanisms in selected industries — railways, longshoring, steel, construction, motor transport, garment, auto, and forest products. He further indicated that copies of the study would be available by the end of December.

He said most of the mechanisms have helped to reduce or eliminate many of the "inherent" defects in the conventional grievance process. In varying degrees they have reduced arbitration costs, delays and case volume. And they have enabled the parties to secure, on a long-term basis, the services of arbitrators with a high degree of expertise in their particular industry.

"A virtual phalanx of technocrats or experts has been spawned to operate the system."

"The parties have also made use of informal and flexible techniques to satisfy their particular requirements," Sinclair added. "This has helped reduce the labour management tensions and frustrations that would otherwise have resulted through the accumulation of unresolved grievances."

The delegates were told that a form of expedited, or "accelerated" arbitration has been a reality in the garment industry since 1926. But a union spokesman said the system works more effectively in the United States than in Canada because legal work stoppages are permitted in the U.S. if either party violates an arbitrator's decision.

Robert Fontaine, Canadian director of organization for the Inter-

national Ladies' Garment Workers Union, said the system developed "through necessity" because of the very nature of the industry. In Montreal, as in other cities, it is basically a piecework industry of small shops, each employing a small number of workers — in Quebec the average is 32. "Every time we negotiate an agreement, the ink is not dry before we have to begin renegotiating," Fontaine said. "Products and styles change continually; piece rates have to be renegotiated almost every day."

"I have real doubts about the ability of private initiative to make significant changes in the system as a whole.... The involvement of a public tribunal is inevitable...."

"There are plenty of complaints, and we have developed a procedure to settle grievances as fast as possible — first at the shop level, then at the level of the business agent and the employer, then at the level of the representative of the employer association and, finally, at the level of arbitration."

He said it usually takes only two or three days to reach arbitration, if a grievance goes that far, but that each level provides a deterrent: "The employer would rather settle with his own employees than have the business agent called in. Then he would rather settle with the business agent than have his own association representative come in and perhaps tell him he is wrong."

Two arbitrators and two standby arbitrators are named in the collective agreement. "They're supposed to be notified in writing," Fontaine said. "But we phone them to save time, and

they usually set up an arbitration time within a day or two. In 99 per cent of the cases no attorneys are used by either party. It is also spelled out in the agreement that the arbitrator has to render a decision in writing, within 48 hours. But the arbitrators usually do better than that — most decisions are given verbally, and a written one is provided only if one party requests it."

Sometimes the parties give the arbitrator more time than the stipulated 48 hours if he has to do research, but this is the exception, Fontaine said.

The system is not only fast but also inexpensive: "A single arbitration case in some industries can cost \$500 to \$1,000. Our arbitrators are on a retainer and the cost works out to something like \$100 per arbitration, split 50-50 between the two parties."

However, Fontaine noted, the strike-lockout deterrent in the U.S. means the system is more effective there: "In Canada, the parties are supposed to be bound by the arbitrator's decision, but if an employer doesn't abide by it, the union's only recourse is to the courts, and that can take two years. In the U.S., the arbitrator's decision is final, binding and irrevocable. If either party doesn't abide by it, the union is free to strike legally and the employer to lock out."

If the strike-lockout right were also available in Canada, the system would truly be one of "accelerated arbitration." He also said that somewhat similar systems are used by other unions and employers in the garment industry, although some have more levels before the arbitration stage is reached.

Expedited arbitration in the railway industry is provided by the

Most of the expedited arbitration mechanisms have helped reduce or eliminate many of the inherent defects in the conventional grievance process

Canadian Railway Office of Arbitration, and both a union and a management spokesman expressed general satisfaction with its work. R.C. Smith, national vice-president of the Brotherhood of Railway, Airline and Steamship Clerks, said the office has been refining its approach through the years. While the unions involved have some reservations about it, "I think it's safe to say that, on balance, we're happy with the way it works" he said. Robert Colosimo, CP Rail's assistant vice-president for industrial relations, said he thinks both management and unions "can be proud of our system."

About 68,000 organized employees — all but the shopcraft unions and two smaller groups — and 22 railway, steamship and express companies are under the jurisdiction of the office, which was established in 1964 to replace its 46-year-old predecessor, the Canadian Railway Board of Adjustment No. 1. Colosimo said the board of six management and six union representatives had worked well as a forum for settling disputes until the early 1960s "when its members began to polarize" and in more and more cases were unable to make decisions on the basis of a majority vote.

Now, a single arbitrator — J.F.W. Weatherill, who has held the post since 1968 — hears all grievances referred to arbitration. Each request for arbitration is accompanied by a Statement of Issue containing the facts as well as a

reference to the specific provisions of the collective agreement alleged to have been misinterpreted or violated. The parties may, however, file separate statements if they cannot agree to one.

The arbitrator must hold a hearing within a month, to which each party submits a written statement with its supporting evidence and arguments. Each party may be represented by counsel if it wishes and may examine all witnesses. The arbitrator must render his decision within 30 days of the conclusion of the hearing. The decision is final and binding upon the employer, the bargaining agent and all the employees concerned.

In the garment industry, most decisions are given verbally, a written one is provided only if one party requests it

The office costs an average \$47,000 a year, including rent of office space, a full-time secretary and the printing and distribution of awards — divided equally between the railways and the unions. Internally the unions have a formula to apportion their shares of costs among themselves, as have the railways. With 53 cases referred annually, the average cost per case is about \$900.

Colosimo says one reason for the system's success is its informality: "The average hearing is not a legal battleground. The submissions of the parties are in writing, followed by rebuttal. The use of witnesses is rare — the case being handled by the senior union officer concerned and the labour relations officer of the company. In the more than 600 cases heard, I would say that legal counsel has been present in only about 30."

In the United States, the legal strike and lockout weapons are available if one of the parties does not abide by an arbitrator's decision

Another factor in its success, he added, is that it is an agreed-upon procedure with established time-tables for hearings and a deadline for decisions. Moreover, it is the negotiators of the agreement who are responsible for the administration of those agreements, without resort to outside third parties being brought into arbitration.

The retention of a long term arbitrator also contributes to the office's acceptance "because he has been able to become familiar with the terms and conditions of the collective agreement and establish consistent jurisprudence for the guidance of the parties in the handling of like disputes. Most of all, it works because the parties "respect the process."

The West Coast longshoring industry, the conference was told, has had 14 years' experience in "instant" arbitration — a two-part system with a local "job arbitrator" available to the parties as a "whistle blower" 24 hours a day every working day of the year, and an industry arbitrator to hear grievances that had gone through the formal grievance machinery and were still unresolved or to hear appeals from either party stemming from a decision of the job arbitrator. There is also an alternate job arbitrator who makes himself available when the job arbitrator is on vacation or is otherwise unavailable.

"The job arbitrator has direct jurisdiction, on direct application of either party, to deal with almost every situation that can arise

under the terms of the collective agreement," said Norman Cunningham, president of the British Columbia Maritime Employers Association. "There are a couple of exceptions, such as the dispatch of labour which is dealt with by a dispatch committee, and matters of discipline which are required to flow through the normal grievance machinery.

"An appeal from the job arbitrator's award is first submitted to the top committee on the B.C. waterfront, the Joint Industry Labour Relations Committee. Only if the committee cannot deal with the appeal satisfactorily does it go to the industry arbitrator. The committee, incidentally, also serves as a forum for discussing problems of a universal nature in the industry, as well as dealing with suggested amendments to the collective agreement during its term."

Cunningham said the industry has pioneered this system in Canada, developing it through trial and error. Despite its wrinkles, the parties have become "relatively happy" with it. "It is more effective than any other machinery I am aware of," he added.

"It works because the parties want it," he said. "Before it was introduced, we were plagued with work stoppages and dislocation primarily because people were no longer prepared to await the results of the protracted grievance machinery. We have not dispensed with the normal grievance machinery and still utilize it in a number of areas, particularly where the party to whom the grievance applies will not suffer as a consequence of the time factor involved."

At first, however, the number of arbitrations was "something bordering on the astronomical," he

said. "It seemed the parties to the agreement were seeking to gain from the job arbitrator those things which they could not achieve at the bargaining table. As the years went along, the number of cases became fewer and fewer, primarily because the arbitrator discouraged the submission of frivolous issues by ruling against the applicant party."

The International Nickel Company and Locals 6200 and 6500 of the United Steelworkers of America have had a system of expedited arbitration in force since 1972, and the union has had some success in negotiating similar mechanisms with other employers. In the Inco system, where the parties agree mutually, grievances are not sent to a tripartite arbitration board but to one of two grievance commissioners who act in rotation, each of whom sets aside one day every month for grievance hearings.

In advance of the hearings, the commissioners receive a copy of the grievance, a written summary of the Stage Two meeting outlining the facts and the parties' positions, and briefs from the parties supporting their positions. At the hearings, which are brief and informal, each party presents a brief verbal argument. Within seven days, the commissioner gives a written answer — either "grievance allowed" or "grievance dismissed," with a brief statement of the reason for his decision. That decision is final and binding on the parties, but has no precedent value.

W.T. Gretton, Inco's industrial relations manager, said the commissioners have heard 192 grievances at their 37 hearings so far. About 65 per cent of the decisions were in the company's favour, as contrasted to 80 per cent of normal arbitration cases. "I believe the commissioners are sometimes prone to look at the 'equity' of the

One reason for the railway system's success is its informality; the average hearing is not a legal battleground

situation rather than the hard language of the agreement," Gretton said. The average time from hearing date to receipt of the award has been seven days, compared with 50 days for arbitration boards. The cost has averaged \$242 a case — \$121 for each party. Gretton stressed that the commission system is an alternative but not a "substitute" for arbitration: "We still make a great deal of use of the tripartite process," he said.

The example of expedited arbitration in education presented at the conference grew out of 1975 legislation providing collective bargaining procedures for primary and secondary school teachers in Ontario. Mediators, arbitrators and "fact finders" had to be trained by the Ontario Education Relations Commission, established under the legislation.

Owen Shime, the commission's chairman, said 80 to 100 people were exposed to a program of seminars and practical experience. As a result, the commission now has a cadre of 45 to 60 persons qualified and available to serve the parties in the province. One unexpected result of the program, he said, is that it has produced a number of arbitrators who are not only available for school negotiations but who are serving in other fields in both public and private sectors.

Shime said the commission's approach, in which experienced arbitrators led a practical program of both seminar discussion and field experience, could be used in other areas to meet the need for more experienced arbitrators.

The participants also heard from Ronald Tremblay, head of La Conférence des arbitres du Québec, who described how 70 arbitrators in that province have formed their own association to promote speedy and just arbitration procedures, establish a code of ethics and further their professional formation. The conference has also proposed amendments to the provincial labour code, and its members are collaborating in current experiments with a system of expedited arbitration. Montreal lawyer Michel Robert, a former *battonier* of the Quebec Bar Association, counselled against "plunging wholeheartedly" into accelerated arbitration, lest justice be short-circuited. He discussed the need for greater legislative authority. So did another Montreal lawyer, Roy Heenan, who said the present Quebec legislation puts restrictions on the process with regard to such matters as subpoenas and the production of documents.

Other speakers included Robert Coulson, president of the American Arbitration Association, who spoke on problems of using arbitration to resolve cases involving discrimination; A.E. Munro, assistant to the national director, United Steelworkers of America, who also discussed the Inco mechanism, and Peter Seitz of New York City who described some of his headaches as an arbitrator for professional sports.

The conference ended on a more optimistic note than did its predecessor in 1974. Most participants would agree that the discussion had demonstrated the soundness of an opinion expressed by Weatherill in his keynote address: "There is no easy solution to any of these problems. Expedited arbitration is not a magic wand; it is a challenge to the parties to make their collective bargaining relationship work." [9]

Does CUPE's decision spell the end of tripartism?

by John Clarke

The decision by the Canadian Union of Public Employees at its national convention in Vancouver in October to drop out of any further discussions on tripartism has set the stage for a new drama within the labour movement on the whole question of economic planning.

The decision represents a complete reversal of CUPE's own policy, which was originally to support the Canadian Labour Congress's efforts to develop a co-operative mechanism involving labour, management and government in joint industrial-economic planning and decision making. It was a reversal in the making almost from the moment CUPE agreed with policy resolutions at the CLC convention in Quebec City 18 months ago. It soon became evident after Quebec City that CUPE rank and file were uneasy about tripartism and in the last 12 months the CUPE leadership has been reflecting a change of opinion in public speeches and private debate with other union leaders.

But even as the CUPE delegates in Vancouver were rejecting tripartism, CLC president Joe Morris was telling the Canadian Pulp and Paper Association at a conference in Victoria that organized labour still wants a tripartite relationship with government and business.

Morris, disappointed at the failure of discussions of the issue earlier this year, said, however, that any further meaningful talks would have to be carried out on an

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institutional basis and, because labour doesn't trust government, any mechanism agreed upon would have to have the stamp of legislation.

His approach would be to pursue some form of co-operative agreement between business and labour and then press the government to set up procedures by which "we can all sit down and discuss our problems."

That is clearly not good enough for CUPE. It's not opposed to discussions with government on what it calls "issues of the day." But it will have no part in any formal arrangements enshrining a principle of tripartism. This will put it in direct conflict with Morris and, presumably, other CLC officers whose views Morris is obviously reflecting.

At the CLC convention in Quebec City next April CUPE will oppose tripartism and, since it is the largest union in Canada with nearly 240,000 members, it will have a very great influence on the deliberations. It can be expected to lobby for support among other unions between now and the CLC convention. Indeed it's already claiming growing support from a number of other large unions.

Congress officers are not likely to yield the lobby to CUPE and they

will be doing their own propaganda work among the unions. Even so, the CUPE decision in Vancouver alone probably spells the end of tripartism. It would be extremely difficult for the CLC to pursue the question while its largest affiliate refuses to participate.

The CUPE decision could hardly have been couched in stronger language. It said:

"If the CLC enters a form of tripartism from its present position of weakness, it would be co-opted into serving the interests of corporations because government has not shown itself to be a neutral third party standing between business and labour.

"Recent history has amply demonstrated that government policies are heavily weighted toward business. As public employees, we recognize from our collective bargaining and work experience that the attitudes of public and private sector employees are not significantly different. Labour would be outnumbered two to one on a tripartite body.

"In fact, the government has been promoting its version of tripartite and multipartite structures to legitimize and extend its influence.

"During the past year, the government has directed attention toward the 'high incidence of strikes in Canada', the 'low productivity of Canadian workers' and the requirement to build confidence in the 'market economy, profit motive and investment incentive'. Accord-

ing to the government, Canada needs to remove 'the negative aspects' of our labour relations system and develop new approaches through consultation between the state, workers, trade unions, employers and the provinces."

The CUPE statement accuses the government of neglecting discussion of what the union calls the real causes of work stoppages and goes on:

"Acceptance of a tripartite arrangement between government, business and labour is also a denial of labour's traditional alliance with the New Democratic Party. Participation by labour in tripartite decision-making is a clear sign that we have given up all hope of a labour-oriented party ever coming to power...

"Tripartism goes beyond collective bargaining and consultation and, in effect, allows an unelected high-level body to make major economic decisions affecting all Canadians.

"All of this leads to the conclusion that a tripartite arrangement could only work to the detriment of working people. We would become accomplices to programs which strengthen corporate interests at our expense. The present imbalance of forces — which is weighted against labour — must be reversed in order to create a better society.

"If we truly wish to introduce positive changes, labour must first look inward and attempt to overcome basic weaknesses within our movement."

CUPE's reversal of attitude on probably the most crucial issue facing Canadian labour today might never have taken place if wage and price controls had been

...the government has been promoting its version of tripartite and multipartite structures to legitimize and extend its influence

removed a year ago. Its statement referred to the development of the tripartite idea as an alternative to the controls "for addressing the economic and social issues during the post-control period." When it was first advanced CUPE favored it as much as any other union and if the controls had been removed as a quid pro quo, tripartite procedures would probably have been in place by now. CUPE would then have found it very difficult to withdraw.

That at least is the prevailing analysis of CUPE's change of

heart. The Vancouver decision is seen as the culmination of growing unease among public service workers the longer the controls remained in place and of their own perceptions as trade unionists compared with private sector employees.

They work for politicians, not the federal or provincial governments but local government primarily. Because they're closer to the politicians they believe they get a clearer reading of the politicians' intentions and so are more inclined to distrust them. For them, government at whatever level is more likely to be the ally of business than of labour.

They are relatively new to trade unionism compared with private sector workers. CUPE itself is only 15 years old. Older unions have a



"I DON'T NEED YOUR HELP! I CAN PERSONAGE JUST FINE, THANK YOU"

more clearly defined relationship with their employers and may feel more comfortable and confident with it than public service workers.

But the CUPE members believe that from their position they can take a more objective view of the situation. Hence their perception of labour as a weak partner in a triumvirate with business and government.

In Vancouver they produced their own alternative to tripartism. They proposed the establishment of "watchdog" committees to expose what they called waste, inefficiency, and the "poor quality of product" in the industries or services in which trade unionists are employed.

They blamed waste and inefficiency, especially on the part of management, for Canada's economic troubles. They want union committees set up in major industries such as automobile manufacture, textiles, steel, fishing and mining as well as in the public sector.

Their statement on economic policy said:

"We as public employees must face the fact that there is waste and inefficiency in the public sector. We are not responsible for these problems. By exposing their

"tripartism goes beyond collective bargaining and consultation..."

causes, we can lay the foundation for an expanded public service and stop the process of privatization and cutbacks which have been launched.

"Only by placing emphasis on the usefulness of the jobs we do and the potential for expansion through elimination of waste and inefficiency can we protect our jobs from the cut-back, take-back, shift-back and throw-back schemes of our employers."


The statement rejects high labour costs as the cause of Canada's economic problems. It said that while Canada's share of world exports fell from 5.4 per cent to 3.8 per cent in the five years to 1975 and imports rose from 26 per cent to 33 per cent of the domestic market, labour costs in Sweden, West Germany and Japan rose three times as fast as those in Canada.

Canadian labour costs have risen at the same rate as those in the United States. And, the statement said, while Canadian wage rates were 20 per cent below the U.S. the "differential didn't somehow create a strong industrial base in Canada at the time."

So CUPE's tack is simple enough. Tripartism for it is dead. Labour's job is to turn the spotlight on wasteful and inefficient management and production methods in the hope of forcing industry to do a better job and to encourage government to look at outmoded and ineffective management rather than at wages.

This was a constant theme throughout the convention. Labour must look after its own interests through traditional collective bargaining rather than rely on any new mechanism over which it would have little control. Part of its approach is to upgrade union expertise so that it can do a better job. And to do that it wants more public funds spent on education and training for the union movement, including courses at the university level.

The universities now provide business administration training of a high order, says CUPE. Why shouldn't trade unionism get the same kind of support?

Ultimately the purpose would be to make labour a strong element in the Canadian economic society. Only when it reaches a level of maturity and strength to compare with business would it presumably be possible to consider some form of tripartite economic planning. 

Productivity and technology in the Canadian regions

by George Post

Productivity has always been regarded as an important ingredient in economic well being. Now, it appears that improvements in productivity are going to be absolutely essential if reasonable growth of the economy is to be achieved.

Before proceeding further, however, it is essential that the term productivity be defined in a reasonably precise way. In general terms it may be defined as a measure of the efficiency with which productive inputs, that is labour, capital and natural resources, are combined in the production of goods and services. Because labour is the easiest of the inputs to measure in quantitative terms, productivity is frequently expressed in terms of output per unit of labour, for example as the dollar value of goods and services per worker. This is then referred to as labour productivity. It could, of course, also be expressed as capital productivity or more precisely as total factor productivity, but for the sake of simplicity it will be convenient to restrict our analysis to labour productivity. However, it is important to observe that though we refer to productivity in terms of labour only, since other factors such as capital and natural resources are also involved there is much more to labour productivity than merely how hard people are prepared to work. Indeed in some way, it is regrettable that the labour input is the easiest one to measure because the implication that labour is the only factor in

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productivity performance has led, at times, to considerable labour relations difficulties and to some bias against the whole subject of productivity.

Having defined it, there is one other point that must be clarified before we can proceed further and that is the distinction between productivity in absolute terms and productivity growth.

In absolute terms productivity may be expressed as the dollar value of output (value added) per person employed, and is currently about \$15,000 for the Canadian economy as a whole. Frequently, however, because productivity growth is a key factor in the overall growth rate of the economy, productivity is also referred to in terms of rates of growth rather than as dollars of output. In practice the distinction is quite important because in recent years productivity in manufacturing has been growing considerably faster in Canada than in the United States. However, in spite of these higher productivity *growth rates* the Canadian *level* of productivity in manufacturing in terms of output per worker is still

**...there is much more to
labour productivity than
merely how hard people are
prepared to work**

some 20 per cent below that of the United States.

Having cleared up the question of definitions we may now proceed to an examination of regional variations in productivity in Canada.

The main factors that contribute to regional variations in labour productivity are industrial structure and differences in output per worker within each industry. Output per worker, in turn, is governed largely by three additional variables, namely labour quality, capital and technology. While the latter has been singled out for particular attention in the title of this paper the other factors are also of considerable importance. It is not possible to determine exactly how much each factor contributes to provincial variations in labour productivity, but on the assumption that all factors of production are paid roughly in accordance with their productivity, we have been able to estimate the approximate contributions of each. The word "approximate" is used because it is not too difficult to find examples of pay discrimination against certain types of employees — such as women, those without university degrees, some young people, and so on — who may actually be producing as much as their counterparts who are being paid more.

Turning to specific productivity data, Table I indicates the differences in absolute labour productivity among the regions of Canada.

From the Table it is clear that in the total economy, labour productivity in the Maritimes was on average some 23 per cent below that for Canada as a whole; in Quebec it was 7 per cent below. Only in Ontario, Alberta, and British Columbia was it above average. Moreover, with a few notable exceptions, these variations in productivity appear to be due much more to differences in output per worker in individual industries than to industrial structure.

Despite this, however, industrial structure was an important factor in below average labour productivity in Prince Edward Island because of the concentration there on agriculture and fishing — both low-productivity industries. In Saskatchewan, agriculture alone was largely responsible. Of particular interest is the fact that in Quebec manufacturing, industry structure has contributed about equally with output per worker to the 13 per cent lower than average manufacturing productivity in that province. This appears to be due largely to the concentration of textiles, clothing and knitting, where productivity is relatively low. Indeed, these are among the industries that are having the most difficulty in trying to compete against imports, and were also among those recently reviewed in the mini-summit meetings arranged by the Quebec government to study the problems of particular industries in the province.

As noted above, however, output per worker appears to be of much greater significance in explaining differences in labour productivity, indeed about 80 per cent of the variations in labour productivity among the provinces is calculated to be due to differences in output per worker within the various industries.

	Provincial and National Labour Productivity in Value Added Per Worker		Difference Between Provincial and National Labour Productivity	Contribution	
	(Dollars)	(Per cent)		Industry Structure	Output per Worker
Total economy					
Newfoundland	10,187	91	- 9	6	-15
Prince Edward Island	6,716	60	-40	-16	-24
Nova Scotia	8,615	77	-23	- 1	-22
New Brunswick	9,138	82	-18	1	-19
Quebec	10,362	93	- 7	1	- 8
Ontario	11,680	104	4	1	3
Manitoba	9,980	89	-11	- 3	- 8
Saskatchewan	11,056	99	- 1	-12	11
Alberta	12,792	114	14	- 4	18
British Columbia	12,283	110	10	1	9
Canada	11,194	100	0	0	0
Manufacturing					
Newfoundland	11,856	78	-22	2	-24
Prince Edward Island	10,155	67	-33	2	-35
Nova Scotia	11,171	74	-26	1	-27
New Brunswick	11,925	79	-21	-1	-20
Quebec	13,315	87	-13	-6	- 7
Ontario	16,562	109	9	3	6
Manitoba	12,309	81	-19	-8	-11
Saskatchewan	16,346	108	8	2	6
Alberta	16,068	106	6	2	4
British Columbia	16,477	109	9	0	9
Canada	15,168	100	0	0	0

Note: Estimates for the total economy relate to 11 major industries: agriculture; forestry; fishing; mining; manufacturing; construction; transport and utilities; trade; finance, insurance, and real estate; community, business and personal services; and public administration. Those for manufacturing, to 20 manufacturing industries.

Source: Based on Statistics Canada data, and estimates by the Economic Council of Canada.

Table 2 shows the degree to which output per worker varies from province to province within the same industry, and gives an indication of how these variations can

The main factors affecting output per worker are labour quality, capital, and technology

account for a large share of the productivity differences. For example, output per worker in textiles ranged from \$7,500 in Manitoba to \$10,700 in Quebec and \$12,900 in Ontario; in knitting from \$6,700 in Nova Scotia to \$9,100 in Quebec and \$10,500 in Manitoba; and in chemicals from \$9,400 in

Nova Scotia, to \$18,400 in Quebec and \$28,800 in Alberta, more than 200 per cent above the lowest rate of output.

The main factors affecting output per worker are labour quality, capital, and technology. Each of these will be considered in turn.

Regional variations in labour quality contribute significantly to regional variations in labour productivity. Table 3 shows that labour quality varied by as much as 10 per cent among the provinces, ranging from 95 in Newfoundland to 97 in Prince Edward Island, New Brunswick and Quebec and a high of 105 in British Columbia, all on the basis of Canada equalling 100.

Table 2

Output per worker in manufacturing industries, provinces and Canada, 1970-73

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alb.	B.C.	Canada
1. Food and beverages	9,640	10,141	9,931	11,817	16,130	18,692	14,110	14,781	15,892	17,101	16,308
2. Tobacco products					22,097	31,716					24,974
3. Rubber and Plastics					13,726	15,967	8,682		14,678	11,456	15,010
4. Leather					7,853	8,320	8,315		8,775	9,153	8,083
5. Textiles			10,338		10,745	12,884	7,438	11,288	11,839	10,294	11,574
6. Knitting mills			6,692		9,057	7,925	10,530				8,605
7. Clothing					7,580	7,988	7,236			7,685	7,657
8. Wood	7,095	7,279	9,175	9,264	10,856	11,796	10,254	16,951	13,432	15,642	13,244
9. Furniture and fixtures			7,265	8,335	9,747	11,221	9,368	9,585	10,832	11,894	10,517
10. Paper and allied industries			17,504	14,841	15,720	15,364	16,688		19,853	21,640	16,626
11. Printing, publishing and allied industries			12,226	11,164	14,452	14,497	12,315	11,576	14,525	14,728	14,248
12. Primary metal					18,145	17,845	15,663		15,944	15,849	17,352
13. Metal fabrication	12,131		11,915	11,684	13,455	15,089	13,096			15,840	14,556
14. Machinery					12,725	16,455	10,511	13,742	13,308	13,758	15,178
15. Transportation equipment			10,303	10,563	12,902	22,064	10,479		11,160	14,064	18,719
16. Electrical products			6,878	11,963	14,145	14,154	11,068		11,714	12,268	13,937
17. Non-metallic mineral products	16,577		16,445	13,933	17,039	18,069		18,731		18,462	18,117
18. Petroleum and coal products					43,510	16,890		40,278	44,809	43,247	29,399
19. Chemical and chemical products	23,401		9,434	21,433	18,426	24,963	20,318	18,029	28,825	19,940	21,808
20. Miscellaneous manufacturing industries	9,869		10,017		10,681	14,384					13,051
21. All manufacturing	11,856	10,156	11,171	11,925	13,315	16,562	12,309	16,346	16,068	16,476	15,160

Source: Based on data from Statistics Canada and estimates by the Economic Council of Canada.

Table 3

Index of labour quality in all industries, by province, 1970

Newfoundland	95
Prince Edward Island	97
Nova Scotia	100
New Brunswick	97
Quebec	97
Ontario	101
Manitoba	99
Saskatchewan	100
Alberta	103
British Columbia	105
Canada	100

1. Estimates are based on national wage rates paid to full-time employees, male and female, in five age groups and at six levels of educational attainment.

Source: Estimates by the Economic Council of Canada, based on data from Statistics Canada.

The main factors determining labour quality were education, age, and the proportion of women in the work force, with education having much greater impact than the other factors. Table 5 shows the education levels reached in the various provinces by workers in the prime 25-34 age group.

Many believe that labour productivity depends not so much on work effort and skill as on the amount of capital stock in the form of plant and equipment that is provided for the worker. Plausible as this hypothesis may sound, however, evidence does not support it very conclusively.

As can be seen in Table 6 capital stock per worker varies greatly from a low of \$31,000 in Prince Edward Island to more than

\$55,000 in Alberta and Saskatchewan.

What is interesting and important is to compare these figures on capital stock per worker with the figures in Table 1 on output per worker. It will be seen that in Newfoundland, for example, where capital stock levels are 24 per cent above the Canadian average, output per worker is only 91 per cent of the national average. On the other hand, in Ontario where capital stock per worker was only 88 per cent of the Canadian average — the second lowest of all provinces — output per worker was above average and third highest among the provinces. In other words, capital investment does not automatically ensure greater labour productivity more-over the capital per worker data indicate that it is not closely related to output per worker.

Finally, there is the question of technology. However, because the technology factor encompasses a

...capital investment does not automatically ensure greater labour productivity

In manufacturing, labour quality was generally lowest in the leather, wood, furniture, textile, knitting mill and clothing industries, as can be seen from Table 4.

By contrast advanced technology industries like petroleum, electrical products, and chemicals employed labour of above-average quality.

wide range of individual innovations not all of which are universally applicable, it is not possible to measure very meaningfully the effect of technology on output per worker. Thus, in our analysis we have combined the adoption of new technology, management training, and research and development, together with other factors such as firm size, into a sort of residual, accounting for the inter-regional differences in output per worker that are not represented by labour quality and capital. This is not to suggest that the technological and related factors are unimportant or, indeed, even of secondary importance. Table 7 shows the growth of output per worker in the goods producing industries and the contributions of the different factors.

...of significance in relation to new technology is the fact that Canada...ranks low by international standards in expenditures on research and development

It should be noted first that between 1961 and 1973, the growth of output per worker in these industries varied considerably from a low of 3.5 per cent in Newfoundland to a high of 7.1 per cent in Saskatchewan, with Quebec showing a growth of 4.4 per cent and Ontario a growth of 4.5 per cent, both somewhat below the Canadian average.

One aspect of the technology issue that is of some interest is the question of new technology, and in particular the period of time each region lagged behind the leader in its introduction. The new technologies examined here are computers, shopping centres, roof trusses, special presses for newsprint production, containeriza-

Table 4

Indexes of labour quality in manufacturing, by industry, Canada, 1970

	Men	Women
	(All manufacturing industries = 100)	
Leather	91	93
Wood	92	102
Furniture and fixtures	93	99
Textiles	95	96
Knitting Mills	95	94
Clothing	95	93
Food and beverages	96	100
Rubber	98	99
Non-metallic products	98	103
Metal fabricating	99	103
Primary metals	99	107
Transportation equipment	100	105
Paper and allied products	100	103
Tobacco products	100	98
Machinery, excl. electrical	104	107
Printing and publishing	104	107
Electrical products	107	101
Chemicals	111	106
Petroleum and coal products	114	111

Source: Estimates by the Economic Council of Canada, based on data from Statistics Canada.

Table 5

Educational attainment of wage-earners in the 25-34 age group, Canada, by province, 1970¹

	Education				
	University degree	Post-secondary	High school	Elementary school	Total
			(Per cent)		
Newfoundland	7	26	51	16	100
Prince Edward Island	10	28	46	16	100
Nova Scotia	9	26	48	17	100
New Brunswick	9	25	46	20	100
Quebec	10	27	39	24	100
Ontario	11	25	49	15	100
Manitoba	11	27	48	14	100
Saskatchewan	12	28	47	13	100
Alberta	13	30	47	10	100
British Columbia	12	31	55	2	100
Canada	11	27	46	16	100

¹ In this table, post-secondary education includes some university education. High school education refers to grades 9 to 13; elementary school refers to less than nine years of education. Data cover wage-earners who worked full-time for 40 to 52 weeks in 1970 and reported wage and salary income.

Source: Data from Statistics Canada.

Table 6

Capital stock per worker, Canada, by province, 1973

	Capital stock per worker	
	(\$ current)	(Per cent)
Newfoundland	47,928	124
Prince Edward Island	31,132	80
Nova Scotia	36,240	94
New Brunswick	39,341	102
Quebec	34,589	89
Ontario	34,120	88
Manitoba	42,204	109
Saskatchewan	55,963	144
Alberta	55,022	142
British Columbia	46,180	119
Canada	38,742	100

Source: Estimates by the Economic Council of Canada, based on data from Statistics Canada.

tion of ocean cargo, and steel-making furnaces.

Table 8 indicates the number of years that elapsed between the time each item was introduced (shown as 0 for the province that was the leader) and the time it was introduced in each province. It should be noted that not all technologies were introduced in each region, for example containerized ocean cargo and some types of steel making were not introduced in the prairies.

Taking Quebec as an example, two of the innovations looked at actually originated in that province, namely, roof trusses and containerization of ocean freight.

In a move to improve relations with employees ...some companies are using or working with a number of approaches that come under the general heading of quality of work life

However, considering all the innovations together, there was, on average, a lag of over three years between the time of their initial introduction and their adoption in Quebec. Only in the Atlantic region did the transfer of these technologies proceed more slowly. Three years may not, at first glance, seem like an

excessively long time, but it represents roughly twice the lag found in Ontario where these innovations were adopted with the least delay. Moreover, the difference is significant, in terms of trying to eliminate regional disparities and in particular in catching up with Ontario because new technology is likely to continue to be introduced there at least as promptly in the future as in the past.

Also of significance in relation to new technology is the fact that Canada as a whole ranks low by international standards in expenditures on research and development (R&D). The United States, the United Kingdom, and Germany, for example, all spend 2 per cent or more of their gross national expenditures on R&D; while France, Japan, and Sweden spend about 1.5 per cent. However Canada spends only a little over 1 per cent of which about one-half is spent in Ontario, one-quarter in Quebec and the remainder in the other provinces.

Investment in R&D and the rate at which new technologies are adopted may be related to managerial ability. In particular, tardiness in the introduction of technological change may reflect a lack of relevant knowledge for decision-making, a weakness that

Table 7

Contribution of some key factors to growth in industry output per worker, goods-producing industries¹, Canada and provinces, 1961-73

	Labour Quality	Capital Stock		Management, Technology and Other	Industry Output per Worker
		Structures	Machinery		
			(per cent)		
Newfoundland	.2	3.5	-.2	.0	3.5
Prince Edward Island	-.1	3.0	-.1	3.5	6.3
Nova Scotia	.0	2.7	.4	2.2	5.4
New Brunswick	.3	1.5	.4	3.3	5.5
Quebec	.2	1.0	.2	3.0	4.4
Ontario	.3	.9	.3	3.0	4.5
Manitoba	.2	1.9	.2	3.4	5.7
Saskatchewan	.0	3.1	.4	3.6	7.1
Alberta	.3	2.1	.0	2.9	5.3
British Columbia	.4	1.3	.4	3.3	5.3
Canada	.3	1.5	.2	3.0	5.0

¹ Goods-producing industries include agriculture, forestry, fishing, mining, manufacturing, and construction.

Source: Estimates by the Economic Council, based on data from Statistics Canada.

Table 8

Number of years initial adoption date of selected technological innovations lagged behind the leader

	Computers	Shopping Centres	Roof Trusses	Special Newsprint Presses	Containerization	Steel-Making Furnaces		Average Regional Lag ²
						B.O.P. ¹	Electric	
Atlantic	3.5	16	8.2	1.75	2	17	n.a.	8.08
Quebec	.25	4	0	.375	0	n.a.	14	3.10
Ontario	0	1	2	3.5	5	0	0	1.64
Manitoba and Saskatchewan		6						
Prairies	1	3.4	6.83	4.25	n.a.	n.a.	0	3.10
Alberta		0						
British Columbia	2.5	2.3	4	0	2	n.a.	1	2.13

n.a. not applicable.

¹ Basic Oxygen Process.

² The average has been obtained by dividing the sum of the lags by the number of applicable innovations.

Source: F. Martin, "Diffusion of New Technology and Canadian Regional Disparities," Economic Council of Canada (forthcoming).

might be overcome by better education and training in business management. Accordingly Table 9 sets out the educational attainment of five different categories of Canadian management and shows that production managers have only half as many years of education as managers in government, and considerably fewer than for general managers or managers of sales or finance. For the most part, however, differences between the provinces in this area are small.

Returning to the overall issue of productivity, one additional aspect must also be mentioned. Indeed it may, in fact, be the most important of all. It is the need for a better understanding on the part of both labour and management of all aspects of production and productivity, and the mutual benefits to be gained from productivity improvement. In a move to improve relations with employees, and thereby hopefully increase productivity at the same time, some companies are using or working with a number of approaches that come under the general heading of quality of work life and include job enlargement, job enrichment, participative management, industrial democracy and so on. In order to provide employees with motivation and incentive to improve productivity some companies, too, have introduced plans such as a profit sharing and stock ownership that enable the employee to benefit directly from productivity gains that are achieved. However, it is regrettable that most of these initiatives, and particularly those concerned with the quality of work life, have been taken in Europe and the United States, while relatively few have so far been taken in Canada not least because some of the resulting productivity improvements that have been reported are quite remarkable. Work is presently in process at the Economic Council on the Quality

Table 9
Educational attainment in five management categories, Canada, by Province, 1970

	Management category ¹				
	Government	General	Financial	Sales	Production
	(Years of education)				
Newfoundland	17	17	14	11	9
Prince Edward Island	17	17	14	9	10
Nova Scotia	18	17	14	12	10
New Brunswick	18	16	14	12	10
Quebec	18	17	14	12	9
Ontario	18	17	15	12	10
Manitoba	18	17	14	11	9
Saskatchewan	17	17	14	12	9
Alberta	18	17	15	12	9
British Columbia	18	17	15	12	10
Canada	18	17	15	12	9

¹ The five categories listed do not comprise all management occupations, and the data pertain to men only.

Source: Data from Statistics Canada.

of Working Life and it is hoped that it will contribute useful information and help to generate additional interest in the subject.

By way of summarizing this review of productivity, and technology, in the Canadian regions, it has been shown that not only does productivity vary considerably from region to region in Canada, but also that these variations have generally been due to differences in output per worker within industries rather than to industry structure. Overall, industry structure accounts for about 20 per cent of the variations, education and capital approximately 50 per cent and technology, management and other factors the remaining 30 per cent.

It is also clear that productivity levels in the Maritimes, Quebec and the Prairies have been lower than the average for Canada, and, moreover, that this situation prevails in most industries. The question arises, then, as to what to do about improving productivity in these provinces.

One area requiring attention is undoubtedly industrial structure. However, as we have seen variations in productivity appear to be due much more to differences in

output per worker in individual industries, and in this connection the upgrading of labour quality, particularly with regard to education among both workers and managers, is of considerable importance. A natural place to start with such a task would be to try to hire new workers with higher levels of education. From the standpoint of improving the entire work force this could be a slow process, however, since new entrants are likely to be a small fraction of the total employee group. Hence, it is likely that real progress will require the upgrading of present employees, whether workers or management. This will involve a study of both present educational qualifications in relation to current jobs as well as of the educational requirements of the new jobs that employees may move into in the future. It will also involve a review of the existing facilities available for upgrading, and finally, making arrangements for employees to acquire additional educational background. It is suggested that through these means a very real contribution could be made to improving productivity and thereby eliminating some of the disparities that presently exist between the Canadian Regions. [9]

Trends in Canada's competitive position

A study released by the Conference Board in Canada concludes that, contrary to popular belief, labour productivity levels have risen more rapidly in Canada than in the United States in recent years. The study also finds that real incomes of Canadians still lag behind those of residents of the U.S. due largely to higher costs of housing and durable goods.

Nevertheless, relative gains in productivity were not sufficient to offset a more rapid rise in Canadian wages in some industries and as a result, "there has been some deterioration in Canada's relative competitive position vis-à-vis the United States."

Entitled *Assessing Trends in Canada's Competitive Position: the Case of Canada and the United States*, and prepared by James G. Frank, a Conference Board research associate, the study was released Nov. 24 by the Compensation Research Centre, a separately funded division of the Board. The Conference Board in Canada is a private, non-profit independent applied research and analysis organization. Its 700 Canadian members include business firms, government departments and agencies, labour unions and industry and trade associations.

The study focussed on two determinants of competitiveness: trends in relative Canadian-U.S. labour costs for 83 selected industries during the 1966-1975

period, and trends in relative labour productivity during the 1967-74 period, producing the most detailed comparative analysis to date of earnings and productivity levels in the two countries.

The study's analysis of earnings differentials is based on data previously published by Statistics Canada in *Employment, Earnings and Hours*, and by the U.S. Bureau of Labour Statistics in *Employment and Earnings*. Frank observes that there has been considerable discussion regarding the comparability of those data. He notes that the Canadian data are collected from firms employing 20 or more workers while the U.S. data are not restricted by firm size, and acknowledges that "if larger firms pay higher wages than smaller firms, the Canadian rate will be biased upward relative to the American rate." He also notes that the earnings measure in both countries includes overtime and regular cost of living allowance payments but not payments in kind, or payments for social security, unemployment insurance or other fringe benefits. He contends, nevertheless, that it is highly unlikely that the relative benefit cost trends in the two countries has been so dissimilar as to invalidate his analysis.

The study finds that the earnings gap between Canadian and U.S. wage earners narrowed steadily from 1966 to 1975 and that by 1975 Canadian wage earners were enjoying higher nominal wages

than their U.S. counterparts in many industries. "This study and the results of other studies show that the narrowing has been observed as steadily occurring over the last 25 years and is therefore not attributable to short-run institutional or economic impacts but rather to significant long-term underlying economic factors," it notes.

On an aggregate basis, it found, the average earnings in the 64 goods-producing industries in Canada were 75 per cent of those in the U.S. in June 1966 and had increased to 102 per cent by June 1975. In the 19 service sector industries studied, average earnings in Canada were 82 per cent of those in the U.S. at the start of the period and 112 per cent at the end.

"While earnings parity has essentially been reached on a cost basis, this is not true of the real purchasing power of earnings of Canadian wage earners," the study adds. "Canadian real incomes have approached those in the U.S. over the period 1966-75 but still lie below those in the U.S. largely due to the higher costs of housing and durable goods."

Personal income tax rates are also higher in Canada, but very little change occurred in the 1961-75 period in relative rates, "indicating that Canadian personal income taxes have not increased more rapidly than those in the U.S. The suggestion that rising relative tax rates have been a determinant of


rising relative wages is not supported by the evidence of this study."

In the 33 industries studied, Canadian labour productivity levels improved more rapidly than in comparable U.S. industries — from approximately 65 per cent of the U.S. level in 1966 to approximately 80 per cent in 1974. In durable-goods industries, Canadian productivity had reached 95 per cent of the U.S. level by 1974 and non-durable-goods industries had reached 70 per cent. This variation, the study warns, "indicates that

caution is warranted in generalizing about the relative labour productivity of Canadian manufacturing since some industries appear to be close to or more productive than their American counterparts while others are less productive or have shown little or no growth in relative productivity since 1967."

However, the study notes, since the capital intensity of Canadian manufacturers increased during the 1967-74 period, "total productivity," as contrasted with "labour productivity" for the 33

industries would be somewhat lower than the 80 per cent labour productivity level.

Labour costs as a proportion of value added (output) declined in both countries over the 1967-74 period in a majority of industries. "The decline was larger in the U.S. than in Canada indicating that American industries had a relatively larger share of value added for reinvestment and return to capital than was the case for Canadian industries in 1974 compared with 1967." 

R.L.

The ECC's Fourteenth Annual Review

Into the 1980s: gloomy forecasts from the ECC

The Economic Council of Canada, in its Fourteenth Annual Review, suggests that major structural problems will have to be resolved if Canada is ever to achieve all of its major economic goals simultaneously — a high rate of growth, reasonable price stability, full employment, a viable balance of payments and the equitable regional distribution of a rising national income.

Otherwise, the achievement of one economic goal will likely raise other problems, the Council contends: "There are genuine conflicts of interest among different regions and competing claims to the nation's wealth."

Hence the 96-page review, entitled *Into the 1980s*, includes recommendations for both short-

term stimulation of a lagging economy and a call for improved mechanisms of consultation among governments, producers, consumers and other groups to tackle the country's long-term structural problems.

The Council's predictions for the next five years — barring the introduction of any new "major policy initiatives" — are far from optimistic: After a modest recovery sustained primarily by exports in 1978 and 1979, growth in the real

Major structural problems will have to be solved if Canada is to achieve all of its major economic goals simultaneously

Gross National Product is expected to gradually slow to about 4 per cent in 1982 for an average annual rate of 4.3 per cent over the period. The unemployment rate will probably remain above 8 per cent; inflation will likely remain at about 6 per cent, while the current account of the balance of payments will probably show an annual deficit of about \$6 billion in current dollars.

These predictions are based on four broad assumptions that the council considers reasonable in the light of current policies and developments: more people will enter the labour market, compensating for a slower growth in the labour force, while net immigration will remain at 100,000 persons a year; personal income tax rates will remain unchanged,

It is probably impossible to make a clear-cut judgment on the over-all benefits and costs of the Anti-Inflation Program

and wage and price controls will be gradually phased out; the Bank of Canada will allow the money supply to expand at a rate consistent with the growth in GNP; and finally, the Canadian dollar will continue to float at about \$U.S. .93.

In reviewing the performance of the Canadian economy over the last two years the Review found only one positive note: an easing of the double-digit inflation rates that prevailed in 1974. It observed, however, that Canada's economic recovery has been slower than that of most Western industrial nations, and more sluggish than earlier cyclical upturns in this country.

"A policy of fiscal restraint has held back government spending, which is often a significant catalyst in the resurgence of an economy," the Council observed. "Moreover, a high degree of idle capacity in industry, a large reservoir of unused labour, and some uncertainty about Canada's economic future have all helped to limit business and consumer expenditures. The net effect is a condition of relatively weak aggregate demand, in which only primary exports are finding favourable markets."

As far as the Anti-Inflation Program is concerned, the *Review* says it is probably impossible to make a clear-cut judgment on the overall benefits and costs. However, it suggests that controls have made a "more direct and visible" impact on wage settlements than on prices and profits, though this is not necessarily a criticism

because "annual increases in wage levels and unit labour costs were originally far out of line with productivity gains." The Council also contends that profits have grown moderately not because of the application of Anti-Inflation Board penalties but rather because of "generally sluggish" business conditions and idle capacity, though it notes a few cases where reported excess profits were redistributed to consumers. Moreover, the Council sees little evidence that controls have "distorted the wage structure so that it fails to reflect normal market forces.... Rather, we see the controls as having helped to prevent certain groups that exercise market power — often in the public sector — from successfully pressing exorbitant demands, which burden consumers with either higher prices or taxes."

The Council discusses in some detail five "structural problems" which, it says, must be solved to ensure stable growth and avoid the unacceptable waste "of persistently underutilized labour and capital resources:"

- *International competitiveness.* Canada's share of world exports of manufactured goods continues to decline. Manufacturing unit costs are increasing faster here than in the United States, and the average hourly wage in Canadian manufacturing "is one of the highest in the world." The Council notes that wages and labour costs have risen even more rapidly in some other Western nations, but says this has been accompanied by a depreciation of their currency even greater than Canada's. "Because this unfavourable gap in unit costs has recently narrowed and the value of the Canadian dollar has dropped, much of the trade disadvantage will be offset, at least in the short run," the Council says. "But more fundamental cost reductions and

marketing initiatives are needed if Canadian exporters are to recapture the ground they have lost. At the same time, "Canadians continue to prefer imported manufactured goods and vacations abroad, causing further strain on the balance of payments."

- *Industrial adaptation.* The weak competitiveness of some Canadian industries requires an increasing effort by the federal and provincial governments to work together with industry to achieve, "more balanced and co-ordinated" industrial strategies. "We take this view because the corporate pursuit of profit is not always consistent with the most efficient or equitable use

Canada's share of world exports of manufactured goods continues to decline

of scarce resources," the Council explains. "Metropolitan markets, through their size alone, lure many manufacturing enterprises; jobs are thus created, and urban and suburban populations expand. The social costs that are generated, however, may not be borne by the enterprises — utilities, roads, schools and other services that call for government expenditures and taxes on a scale that might have been avoided had the private investment been made elsewhere and at a different time. Cities, towns and provinces naturally vie with one another for industrial expansion and the employment opportunities that it brings." Industrial adaptation, the Council says, should involve both greater specialization within industries and a gradual shift of resources away from industries with poor long-term prospects. And it holds that this "harmonization" of policies is particularly essential in the areas of investment incentives,

regional development and manpower policies.

Balance of payments and foreign borrowing. "There are now indications that Canada is no longer perceived to be the favourable destination for foreign equity capital it once was," the Council says. There has been a decline in capital inflows from foreign sources and increasingly larger reliance has been placed on borrowing.

The Council believes Canada should encourage foreign investors to put their capital into Canadian enterprises. And it suggests incentive measures for the Canadian tourist industry and for some other export-oriented or import-competing enterprises to help reverse the present "deteriorating" trend in the balance of payments. "Without an extraordinary change... in the patterns of savings and expenditures of Canadians and in this country's international competitiveness," the Council holds, it will be necessary to rely heavily on foreign loans to offset large deficits in the balance of payments.

Unemployment. Even with the job-creating measures announced in October 1977 by the federal government, unemployment will remain high and continue to be "concentrated disproportionately among the young." The Council maintains that jobs must come from the private sector and will have to be linked closely to consumer needs and preferences. This, however, does not alter the fact that the problem is rendered more difficult by "the uneven pace of economic growth."

Energy conservation. "Canadians... have become one of the most wasteful energy-using nations in the world," the Council claims. It

Canadians continue to prefer imported manufactured goods and vacations abroad, causing further strains on the balance of payments

also says that, to promote energy conservation, it is essential to bring Canadian oil and gas prices into parity with world prices.

The Council says an "appropriate" balance of policies is needed, and proposes that governments "should move rather carefully to maintain adequate growth in aggregated demand, while moving more vigorously to encourage needed structural changes through incentives and improved mechanisms for consultation on basic economic issues." To these ends, the report makes four recommendations:

- that the Bank of Canada maintain its present policy of limiting the growth of the money supply and that, as inflation rates fall, the Bank continue to shift the target rate downward;
- that over the next two fiscal years, the federal and provincial governments implement permanent personal income tax cuts that would increase the annual disposable incomes for consumers by a total of \$2 billion in addition to reductions resulting from indexation;
- that the provinces reduce their sales taxes by at least 1 percentage point on taxable consumer goods and services other than gasoline, alcohol and cigarettes;
- that the federal government, together with representative organizations, establish appropriate advisory and consultative

mechanisms (with adequate staff resources) to examine serious long-term structural issues.

Finance Minister Jean Chretien was quick to throw cold water on the proposal for income tax cuts, saying that "to borrow another \$2 billion at this time to attempt to buy our way out of the economic difficulties we are in would not be responsible." And there was even dissent from two members of the Council — Marcel Belanger of the Quebec City accounting firm of Belanger, Dallaire, Gagnon and Associates, and R.M. McIntosh, executive vice-president of the Bank of Nova Scotia. A footnote to the report says the two feel that "in a world economy adjusting to slower growth rates as a result of higher energy costs, further stimulative fiscal policies would be counterproductive because they would not address the problem of bringing the Canadian economy back to a competitive position."

The Council believes that Canada should encourage foreign investors to put their capital into Canadian enterprises

However in a Dec. 5 address to the Vancouver Board of Trade George Post, acting director of the Council, defended the tax-cuts proposal. He said the economic improvement which the Council expects "and would like to augment" in 1978 and 1979 would produce additional tax revenue and reduce unemployment insurance payments and other expenditures directly linked to poor performance. Another factor, he said, is that the Council suggests that a considerable share of the increased borrowing be done by the provinces "since it is at this level of government that recent restraint on expenditures has been

most marked." A third factor is that the current climate of uncertainty has meant that there are "substantial" savings available from individuals, corporations, resource-rich provinces and liquid international capital markets. "All in all, the majority of our Council members felt that we should risk cautious stimulative tax cuts."

Post also elaborated on the proposal for improved consultative mechanisms, saying that whatever ones are set up "their usefulness and credibility will depend on their impact on the policy-making process." Otherwise, he said, consultation will run the risk of becoming "no more than a bureaucratic pastime and its participants will justifiably feel that the whole exercise was merely a diversion."

In addition to the federal proposal for a multipartite national forum, Post said, there might also be smaller multipartite bodies to study specific issues such as energy, commercial policy and regional disparities. "These consultative groups might be established along the lines of royal

The provinces should reduce their sales taxes by at least 1 percentage point

commissions, although membership should be larger and should, in most cases, include government representatives."

Post praised the federal-provincial economic summit conference planned for 1978 as a positive step on the grounds that it is important for the two levels of government to co-ordinate their policies on issues such as industrial structure. "If it is followed by other meetings which include representatives of the private sector, this conference could well signal the start of a new era of co-operation in Canada," he said.

Returning to the issue of tax cuts, in the short term, the Council clearly sees little immediate alternative to conventional fiscal stimulation measures to increase demand and encourage more consumer and business spending, and

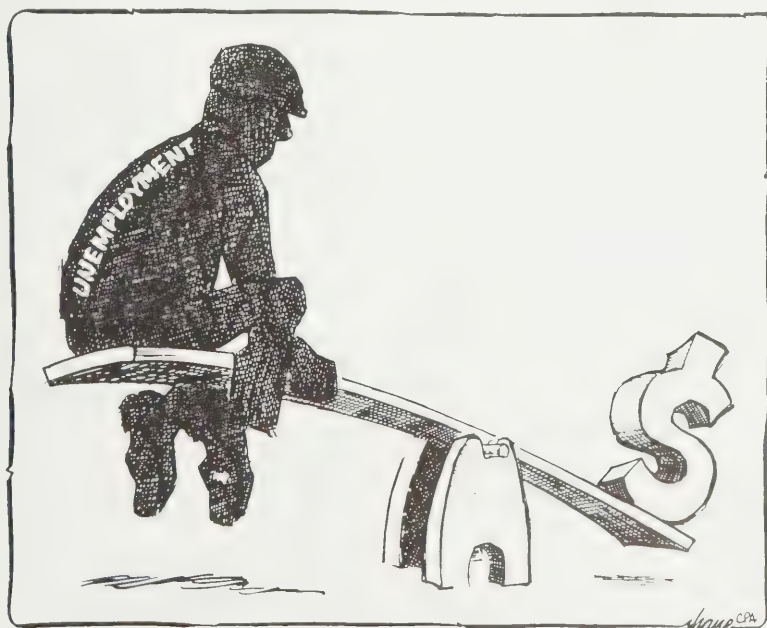
it believes that this should be achieved through increased private rather than government activity. However, it is also aware that too vigorous action could worsen the already precarious budgetary position of the federal government and some provincial governments, and could also result in higher inflation and thus delay improvement in the country's international competitiveness.

Even if its recommendations were adopted, the Council says, unemployment would probably not fall far below 7 per cent until after 1980 and inflation would persist roughly in line with the inflation rates of Canada's major trading partners.

The Council's gloomy report concludes by contending that it is possible to move the economy back to a "more desirable growth path" but that this will require "a realistic assessment of the problems... imagination to perceive opportunities... confidence to achieve change... and greater trust and understanding among the different groups in the Canadian economy."

The Council used its CANDIDE econometric model to simulate projections of the economy to 1982 under various policy options and reach its conclusion that, without solving the country's major structural problems it is impossible to achieve all of Canada's major economic goals at the same time. Unfortunately, the Council has no model capable of predicting whether the groups that could not agree on voluntary incomes restraint or a national multipartite consultative forum possess the mutual confidence, trust, and understanding and the capacity for realistic assessment that the Council believes are essential to the resolution of the Canadian economy's structural problems. [g]

R.L.



UPS AND DOWNS OF THE ECONOMY

A critical review of the economy

by Hugh Nangle

"Into the 1980s" is the title of the Economic Council of Canada's fourteenth annual review. It is a thin publication in size and genuine ideas. Perhaps the review's brevity is the main problem, because there are some hints of ideas and other indications that the council does have its finger on a problematic economic pulse and even on some diagnoses for the illness. The problem is that there is almost a total absence of remedies for the ailments that are hinted at. As doctor to the Canadian economy, the Economic Council of Canada has fallen down badly in giving the government any serious recommendations on the possible courses to be taken for putting the economy back on its feet.

No doubt the essential reason for the ECC's failure is one of politics. The boffins in the Council quite obviously believe this isn't the time to be telling the Canadian government some basic home truths on how the economy has been mishandled by successive finance ministers, and — even more importantly — telling them what is needed.

The four recommendations made in the ECC's Fourteenth Annual Review by the Economic Council of Canada contained an elemental problem: they were either superfluous or unacceptable.

Recommendation No. 1, "that the Bank of Canada maintain its present policy of limiting the growth of the money supply and that, as inflation rates fall, the

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Bank continue to shift the target rate downward," was quite superfluous because Gerald Bouey and the Bank of Canada are clearly set on a monetarist policy which the council is not about to alter one iota.

Recommendation No. 2, calling for a further cut in federal and provincial personal income taxes over the next two years, received short shrift from Finance Minister Jean Chretien the very day the council's review was released. Chretien said he would be acting irresponsibly if he implemented the proposal.

Recommendation No. 3, calling on the provinces to reduce their sales taxes by at least 1 percentage point on taxable consumer goods and services other than such items as gasoline, alcohol, and cigarettes, was a non-starter because it's an idea that had fallen on deaf ears before. Ontario has pushed the idea — but with the twist of urging the federal government to make up the loss of revenue to the provinces.

Recommendation No. 4 was also a non-starter even though calling on the federal government, "together

with representative organizations, to establish appropriate advisory and consultative mechanisms (with adequate staff resources) to examine serious long-term structural issues" had a good ring to it — especially the parenthetical reference to adequate staff resources, which when translated into straightforward English means the Economic Council of Canada itself! Surely the council is not so out of touch that it is not aware that the Canadian Labour Congress is not prepared to share power with "representative organizations" other than the federal government and business in a genuine system of tripartite consultation. After all, that was the very reason that the CLC has withdrawn from the Economic Council of Canada irrespective of the colourations which others may choose to use.

The other major shortcomings in the 14th annual review centre more on major omissions: the necessity to spell out in clear, lucid terms the absolute necessity for the federal government to establish sectoral policies, adjustment assistance programs for the major threatened, furniture, clothing, textile, and footwear industries — concentrated mostly in Quebec — and put an end to the ad hoc methods practised in tariff and other non-tariff barriers to protect Canadian employment in these threatened industries.

Make no mistake, the economic council refers to the problems, especially in the light of the dangers inherent in a return to

protectionism. The council is correct in detecting a strong whiff of protectionism in the Canadian air. This is especially true in the textile and clothing sectors. The Canadian Textile and Clothing Board turned in a report to then Industry Minister Jean Chretien last June which was laden with the message that protectionism, through tariffs and bilateral agreements, is to be the modus operandi for the foreseeable future. Yet the Economic Council of Canada fails to outline some alternatives which the Canadian government can follow. Meanwhile, the government continues to procrastinate over the issue because it has very serious political ramifications.

It is this tame tabby aspect of the council which is dispiriting. It is particularly disappointing because one finds a non-governmental organization, the North-South Institute based in Ottawa, coming down with the following pointed observation in its first annual review issued in October: "As a first step in imposing consistency between Canada's aid and trade policies, the Government must find alternatives to its current drastic escalation of import restrictions. Otherwise, these controls will increasingly limit the industrialization and employment opportunities of lower-income countries as well as those of the semi-industrialized nations.


"In the short-term, any allocation of market shares should give special recognition to the needs of low-income countries. *At the same time, the government should embark on a crash programme to assist workers, communities, and*

industries unable to adjust to low-cost import competition, possibly using CIDA (Canadian International Development Agency) funds for this purpose in some cases." (Author's emphasis)

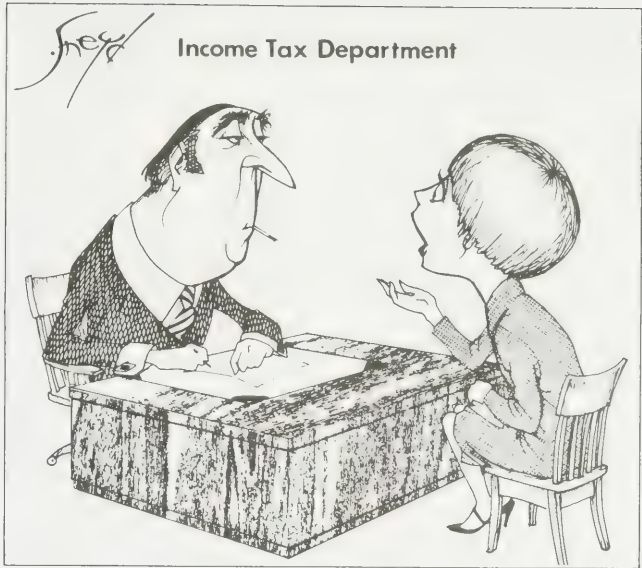
The North-South Institute will shortly publish a detailed study on the subject of adjustment needs in Canada and policy options... something which the Economic Council of Canada could surely have undertaken considering it hosted a conference on adjustment assistance last summer in Montreal.

It is the passivity of the council that is most irksome. Where a thorough jab in the ribs for the

federal government is in order there is either a gentle nudge or even a tickle. Perhaps one should be satisfied with what is achieved by the council to date, but it is disappointing to find that some of the zest and sureness present in earlier annual reviews is missing in the latest effort.

"Into the 1980s" is a dulcet-toned effort, which underlines why it is that the C.D. Howe Institute and the Conference Board in Canada have taken on more prominence in recent years: they have moved into the vacuum that the Economic Council of Canada has created around itself. Hopefully the council will return to more robust form and return to a more relevant role in Canada. We need it. 

Toronto Star Syndicate



"Why can't the government just write me off as a tax loss?"

An economic outlook for 1978

by Frederick Stapenhurst

The Canadian economy is slowly emerging from a long period of slow growth, believed by some economists to have been part of the federal government's strategy for controlling inflation and adjusting for past excesses in income expectations and demands relative to the economy's capacity to produce real output.

The main elements of this strategy have been quite clear. Money supply growth has been monitored to keep within a gradually falling range, and the Bank of Canada has resisted pressures to return to an easy monetary policy in order to speed up the recovery. The Canadian dollar has been allowed to drop in response to market forces and thus has helped to at least partially restore the international competitiveness of our manufacturing industry. Government expenditures have been kept under a much tighter rein, especially when one considers that unemployment-induced spending has increased rapidly in recent years. And finally, controls have at least helped to check inflation psychology and to ease wage increases, at least to the extent that last year average gains were about in line with the rate of inflation.

The cost of this policy in terms of foregone economic growth, however, has been substantial. In 1977 the Canadian economy grew by only 2 per cent — down from the 4.9 per cent growth recorded in 1976 and less than half the rate originally projected by the federal government and many private forecasters. The reasons for this shortfall were many and varied — the early strength in exports faltered

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early in the year and has only recently shown signs of recovering; consumers became cautious as both inflation and unemployment rose and political uncertainty increased, while business investment remained sluggish, for much the same reasons.

This year should be better, with real Gross Domestic Product (GDP) increasing by about 4.5 per cent in response to a pick-up in exports, stimulated by the decline in the Canadian dollar and the continued strength of the U.S. economy; a strengthening in both consumer spending and business confidence as inflation and unemployment abate and the controls are dismantled; and a small increase in housing expenditure. Growth is expected to continue into 1979 at the 4 to 5 per cent level.

The key economic developments over the past twelve months have been the sharp decline in the Canadian dollar and the announcing of the timetable for dismantling controls. Both factors have had major repercussions through the economy and help set the arena for a period of moderate growth over the next two years.

Controls have at least helped to check inflation psychology and to ease wage increases...

The Canadian dollar declined from more than \$1.03 (U.S.) in the fall of 1976 to below 90 cents (U.S.) last fall. The immediate cause, the election of the Parti Quebecois in Quebec, is only partially responsible, however — the Canadian dollar was clearly overvalued in 1976, since Canada's international competitiveness had been gradually eroded and its balance of payments had deteriorated considerably. Many analysts had expected the Canadian dollar to recover to about 95 cents (U.S.) by the end of 1977, but the decline in the U.S. interest rates and the lingering concern over the sluggish performance of the economy prevented the value going above 92 cents (U.S.). Over the next 6 to 9 months, the Canadian dollar should appreciate to reach about 94 or 95 cents (U.S.) by the middle of this year; for 1978 as a whole, and for most of 1979, an exchange rate of about 92 cents (U.S.) is expected (assuming moderate growth in both the U.S. and Canada.)

The effect of the decline in value of the Canadian dollar on the economy is likely to be mixed. Exports will become more competitive on foreign markets and many Canadians may find it cheaper to "buy Canadian," but the price of imported goods will increase, adding to inflation and, in the long run, pushing up the price of exports. The decline of the dollar may also have a favourable effect on our tourism deficit, which accounts for over a quarter of our total balance of payments deficit, since foreign travel will become more expensive relative to holidays in Canada.

Inflation remained above the target rate for the whole of 1977 and will probably remain above the target level for most of this year as well. The consumer price index increased by 8 per cent last year, up from 7.5 per cent in 1976 and well above the targeted 6 per cent.

Continued low increases in the price of food, together with a temporary cessation of energy hikes should keep the rate of inflation in check, even allowing for some escalation in wage rates; the CPI is not likely to increase by more than 7.5 per cent this year and the increase may be held to about 7 per cent next year.

In 1977, the Canadian economy grew by only 2 per cent... growth is expected to continue into 1979 at the 4 to 5 per cent level

Although dismantling of the AIB regulations is due to begin on April 14, the majority of companies and employees will remain under the influence of the AIB guidelines until the end of the year. Nevertheless, the very announcement that controls will end by a certain date has had a favourable effect on both consumer and business confidence and therefore consumer spending and business investment are expected to pick up this year.

As a result of the low level of consumer confidence, consumer spending rose by only 2.7 per cent in real terms during 1977, compared with a 6.1 per cent increase in 1976. In recent years, although gains in real personal disposable income have been high, much of this increase has gone into savings rather than into consumption expenditures, and thus the savings rate has increased from the traditional 5 to 6 per cent last evident in the

early 1970s to over 10 per cent at present. People have preferred to hold their money as a reserve against adverse economic conditions. This year, as the economy revives and inflation and unemployment abate slightly, consumer confidence is expected to rebound and consumer spending is expected to increase by 4 per cent in real terms; next year, the increase may reach 5 per cent, as the real income gains are translated into higher spending.

Business investment expenditures have formed one of the weakest areas of the economy in recent years. In real terms, investment has declined steadily since the end of 1975, although last year did see the beginning of a recovery. Weak profit performance, substantial unused industrial capacity, fears of renewed inflationary pressures and the escalating costs of capital equipment, to say nothing of the political and economic uncertainty surrounding the national unity issue, all contributed to this poor performance. Nevertheless, with relatively stable interest rates and a moderately stimulative fiscal policy, business investment is expected to recover to show a 5 per cent real growth this year (compared with a 2.5 per cent growth last year and a 3.2 per cent decline in 1976). In the longer term, the investment outlook is good, if only because energy-related investment, which now accounts for nearly a quarter of all investment in Canada, should increase rapidly with the coming on stream of the gas pipeline from the North, heavy oil and tar sands plants and other energy projects.

The construction industry suffered a decline last year, with housing starts totalling only 240,000, compared with 273,000 in 1976. Unless government subsidies are renewed and extended, this sector is likely to show only marginal growth this year, since the stock

...the price of imported goods will increase, adding to inflation and, in the long run, pushing up the price of exports

of finished but unsold houses is at an all-time high.

The increasing unemployment rate, particularly for the 18 to 25 age group, has become perhaps the most severe problem facing economic decision-makers today. From an already high rate of 6.9 per cent in 1975 and 7.1 per cent in 1976, the unemployment rate jumped to an estimated 8.1 per cent last year and is expected to reach 8.5 per cent this winter. The principal cause for this seemingly unrelenting increase is simply that the economy has not been expanding fast enough to absorb the rapidly growing labour force (with the major sector of increase being school leavers and university graduates). In the long run, the solution is to improve the capacity of Canadian industry so that it can compete effectively at home and abroad. In the short run, however, there is little more that can be done in addition to the recent \$700 million income tax cut, the additional \$150 million to be spent on direct job creation and the \$100 million employment credit, which were announced in Finance Minister Jean Chretien's speech last October. The federal government's choice of action is limited by the already huge \$8.5 billion deficit for the fiscal year ending March 31, 1978, which virtually precludes any additional stimulative measures. Nevertheless, the policies already announced, together with the anticipated moderate growth in the economy, should bring the rate of unemployment down to about 7.8 per cent this year and perhaps as low as 7.6 per cent in 1979.

It is possible that union militancy

will increase in the latter half of this year as the wage and price controls are phased out and contracts come up for renewal. Moreover, major confrontations between public employees and federal and provincial governments seem unavoidable, if governments continue to adopt a hard line toward labour demands. However, overall wage and salary increases are expected to accelerate marginally, from 8.6 per cent last year to 9.5 per cent this year.

It is possible that union militancy will increase in the latter half of this year as the wage and price controls are phased out and contracts come up for renewal

With the declining value of the Canadian dollar and the resumption of growth in other major industrial nations, Canada's exports picked up sharply last year, while import growth remained modest, reflecting sluggish domestic economic conditions. Consequently, the trade surplus increased from \$1.1 billion in 1976 to \$2.5 billion. Given a Canadian dollar exchange rate of 92 cents (U.S.) and continued economic growth in the United States, the recovery in the trade balance is expected to continue, with the surplus reaching some \$3.5 billion this year. Next year, however, if Canadian economic growth continues, imports will pick up and the surplus will slip back to \$2.5 billion.

Despite this favourable outlook, however, the trade surplus will continue to be overshadowed by the huge (and growing) deficit on services — principally foreign interest and dividends and expenditure abroad by Canadian tourists. This services' deficit has grown from \$4.7 billion in 1975 to \$6

billion in 1976, \$7.5 billion in 1977 and is expected to reach \$8.25 billion this year. (Probably little can be done to change the outflow of tourist dollars, especially as the government has rejected any form of foreign exchange control, although the depreciation of the Canadian dollar may discourage some Canadians from holidaying

...the economy has not been expanding fast enough to absorb the rapidly growing labour force

abroad. With regard to interest and dividends payable abroad, little can be done in the short term, although in the longer term the burden of servicing the foreign debt could be eased by financing it by encouraging foreign investment rather than relying on debt financing — dividends on investment are only payable when



profits are earned, while interest and capital on money borrowed must be paid when due.)

In summary, Canada has, over the past year, set the stage for at least moderate growth of the Canadian economy. The exchange rate has been adjusted to a more realistic level, monetary policy has been eased without allowing a rapid growth in the money supply and interest rates are now realistic relative to the rate of inflation. The government sector, particularly at the provincial level, has taken steps to restrict spending growth and increase public sector productivity, while a more sensible and realistic attitude seems evident in the labour markets. The outlook for the 1980s is good, particularly given the large scale investments likely to take place; moreover, the political outlook should be clearer and a general improvement in international economic conditions is expected. [g]

Workers' self-management in Yugoslavia — a Canadian study

A Canadian researcher has found the workers' self-management factory in Yugoslavia to be more democratic than the Canadian capitalistic firm. Dr. Alan Whitehorn, a research associate at the Institute of Canadian Studies at Carleton University in Ottawa, says his research also indicates that employees of Yugoslav self-managed factories perceive their conditions as having improved. Another of his findings: Workers who participate actively in self-management indicate lower levels of alienation than workers who do not.

Whitehorn reported these results of his on-going research in Canada and Yugoslavia in a paper to the international conference on participation, workers' control and self-management, in Paris, France, September 7 to 10. His work has involved searches of the academic literature, research questionnaires and interviews in both countries. He is one of only a very few non-Yugoslavs ever allowed to administer survey questionnaires in that country, particularly on such politically sensitive topics as worker self-management, participation and alienation.

He found the evidence "mixed but leaning in the direction of confirmation" of two other "socialist hypotheses": that the worker-managed factory is associated with lower alienation levels, and that alienation in the factory is associated with alienation in society.

But one socialist hypothesis was "disconfirmed" by his research.

Although Yugoslav workers were in total less alienated than their Canadian counterparts, different strata or classes within Yugoslavia exhibited different levels of alienation: "Blue-collar workers, as in capitalist societies, still have a higher level of alienation than white-collar or professional employees," he reported. "This finding is in general a negative one for theorists of self-management."

In discussing the pluralism of the Yugoslav factories, Whitehorn says the "socialist assertion" is quite clear that the factory "must be more democratic" and thus will follow enlightened conditions and policies. "There can be little doubt," he writes, "that present nationalized factories in both the Soviet Union and Great Britain are not marked by highly participatory and pluralistic intra-factory social relations." The question posed regarding Yugoslavia is, therefore: "Does a more radical socialist proposal, that of the establishment of a functioning factory workers' council, increase the diffusion of power?"

As an indicator of factory democracy, Whitehorn compared the factory personnel's perceptions of "power holders." His analysis suggests that the Yugoslav system seems to be pluralistic "particularly when one compares structures traditionally associated with 'labour' (e.g., workers, council, union, skilled and unskilled workers), with those associated with 'management' (e.g., director, management board, supervisors and technical staff). Thus, respondents' perceptions of group

influence suggest that the system is polyarchic...One notes that only the director is perceived as being more influential than the workers' council." Thus measured, the ratio of managerial bodies' influence to labour's was 1,278/1,000, compared with a 1,345/1,000 in Whitehorn's Canadian sample. "Thus power equalization is perceived as being more developed in Yugoslavia than in Canada," he reported.

"In both systems, however, respondents indicated a wish for a more widespread diffusion of power," he added. "Yugoslav democratic aspirations, despite a considerably shorter history of democratic experience, were nevertheless stronger than Canadian. Thus perceptions of both actual and desired influence levels are more democratic in Yugoslavia than in Canada."

When Yugoslav workers were asked whether they felt their condition had improved under self-management, 8 per cent responded "very much improved" and 44.9 per cent "improved." But 44.9 per cent were uncertain and 2.2 per cent responded either "not improved" or "not at all" improved. This may imply that "changes have not occurred swiftly enough for a sizeable enough number of persons." The finding also suggests "that Yugoslavia does not yet have a fully participative self-management system," in other words a system where workers are fully involved in the management of their factory.

Whitehorn also reported that job satisfaction for all strata of

employees was found to be considerably higher in the Yugoslav system than in Canada. But he noted there are limitations in the data "given the pioneering nature of the research": the sample is fairly small; it is limited to one industry and utilizes ordinal data much of the time.

Whitehorn also analyzed the social concerns of the self-managed factory and its contacts with the local community, and found "widespread social responsibility and integration." For example, one of the most contentious issues of capitalism — widespread layoffs — is not a paramount problem: "Workers, not surprisingly have shown substantial reluctance to dismiss redundant workers."

"In three of the factories studied, some apartment buildings were built and owned by the enterprise for the use of employees," he observed. "In an age of spiraling housing costs, such benefits seem significant indeed. In addition, in each of the enterprises, low-cost loans were available to the employees for the purpose of private home construction... another common feature to all enterprises was the universal presence of enterprise subsidization of work commuting expenses, holiday expenses and lunch costs."

As to the question whether self-management is associated with lower alienation levels, Whitehorn reported: "Unlike a previous Yugoslav study, this study found that participants in worker self-management were not found to have greater alienation levels."

High suicide, illness, alcoholism and accident rates, however, "raise some doubts as to the likelihood of workers' self-management alone reducing alienation levels completely."

Whitehorn says his general

findings suggest that the central assumptions of self-management seem to be sound and that increased factory pluralism and worker participation in management can reduce alienation levels, particularly at the factory level.

"In any case, so few studies have been completed on the subject of alienation in the self-managed factory that it would be rash to offer any final statements." Nevertheless, it seems likely "that anyone who poses the doom of self-management is at the very least premature in his pronouncements."

He said it is evident from a number of studies of the operation of workers' self-management in Yugoslavia "that there is a considerable divergence between the rhetoric of a mass, egalitarian and participatory social system and the actual system in operation." What one can posit is that Yugoslavia at present has a "representative" self-management system in that a form of representative democracy at the workplace has prevailed: "The political leadership has sought at various times to transform it into a more mass participatory democracy. It seems, however, less likely to be achieved by fiat than by a slow yet

constant development of leadership and participation skills among the workers. Perhaps a representative system might be a more achievable first step and therefore more likely to produce a successful and lasting participatory self-management system." Or, as Dr. Whitehorn quotes a Yugoslav scholar, Rudi Supek: "The 'truth' about Yugoslav workers' self-management cannot shatter the belief in workers' self-management, but can only raise questions about the modes of its realization."

Whitehorn says Canada has much to learn from the Yugoslav experience. He notes the recent proliferation of academic panels and papers on the subject of industrial democracy, the Canada Department of Labour's interest, and the favourable responses to public opinion poll questions on worker representation and more open access for employees to corporate financial data, and he observes:

"It is clear that...workers' self-management, while still an unfilled and at times unclear and utopian vision, is increasingly the direction suggested as a possible means to democratize our corporations and thus our social system."

R.L.



"I said it's an honour to welcome you as the first woman on the board."

Books

The Retirement Threat

by **Tony Lamb and Dave Duffy**, J.P. Tarcher, Inc., Los Angeles, 1977. 177pp.

The Retirement Threat, in spite of its title, is an optimistic sort of book. Author Tony Lamb is a self-styled senior activist whose main aim is to show readers how they can plan for a more comfortable, happy retirement by avoiding the pitfalls that threaten and victimize many of the retired today.

In a factual, non-sentimental way, Lamb describes the poverty and other misfortunes that befall more seniors than most of us realize. These are largely the result of what he calls the "Great Retirement Lie" — the romanticized picture painted by popular books and magazines, which suggest "...that retirement is something you don't have to worry about until you are in your sixties, and then your pension or Uncle Sam will take care of you."

Lamb sets the record straight by telling us some of the sobering facts about retirement: retired persons are the fastest-growing poverty group in the United States and one out of six lives in poverty; most retired widows live in, or close to, poverty; middle and upper-middle class people often suffer the greatest shock when their standard of living drops dramatically in retirement.

We can reverse these trends, says Lamb, if we each plan carefully for our own retirement, and if we become more aware of seniors' needs, regardless of our own age: "If you, the non-retired, passively

accept the climate in which today's retired must struggle for survival, then you, the future retired, will deserve that inheritance. In twenty years or less you, too, may find yourself poor and powerless," (p. 114).

The chapters that follow are brief and informative "how to" articles on everything from budgeting and getting the most out of social security, pension, and so on, to health and nutrition, employment opportunities for the retired and fighting for seniors' rights.

Lamb gives easy-to-follow, action-oriented advice based on his own extensive experience as a senior citizen organizer in California's

Ventura County. He describes the many benefits he was able to achieve for fellow retirees by following his own "organize, plan and persevere" formula.

Although *The Retirement Threat* occasionally has a Dale Carnegie-esque air about it, as the author prescribes his remedy for successful seniorhood, it nonetheless makes worthwhile reading. For most of us the book is likely to be a revelation. It will certainly make you think twice about your own future, and hopefully it will also get you thinking about the forgotten, grey-haired minority in our society.

— M.C. O'Rourke

The Education of Everett Richardson:

The Nova Scotia Fishermen's strike in 1970-71.

by **Silver Donald Cameron**, McClelland and Stewart, Toronto, 1977. 239pp. \$4.95 paper.

The significance of strikes cannot be measured by the number of people involved, the dollar value of lost production or the extent of violence on the picket line. The number of strikers may be small, the impact on the national economy slight and physical clashes minor; yet the importance of the event may be considerable. The Nova Scotia fishermen's strike in 1970-71 was one of these. It rocked the province and aroused sympathetic repercussions across the country.

Fewer than 300 men were involved.

They fished mainly from the little port of Canso, 50 miles off the main highway. They were on strike for seven long and hungry weeks. The issues were multiple, ranging from the availability of first aid kits to money. But, as Cameron says, "the strike was about respect." At the nub was the fundamental claim to the right of having their own union and bargaining collectively. The fishermen were caught in a legal tangle surrounding arguments as to whether they were "employees" in the ordinary sense, or "co-adventurers," dependent on a share of the catch.

It was a bitter strike, family members turned against each other; church authorities became involved and argued among themselves; communities were divided; politicians added fuel to the controversy. And, in the final stage there was an inter-union battle.

Some may fault Cameron for a prejudiced report. He is frank in stating where his sympathies lie. He became so enamoured of the fishermen and their surroundings that he now makes his home with them. But in the book he goes out of his way to attempt to explain the employers' position, much as he may disagree with it.

Through the book runs the personal story of Everett Richardson, one of the strikers. Richardson was by no means a colourful union leader. He was simply a fisherman, and he was ready to go to jail, and did, to maintain his right to picket. Richardson's story, told largely in his own words, and the effect of the strike on his family, lend authenticity to the account. This is the human side of the strike; one often lost sight of in a maze of

arguments about issues and cold statistics.

Whether or not one agrees with all Cameron's personal interpretations, *The Education of Everett Richardson* is worth reading and has a place in the chronicle of the struggles of Canadian workers.

— Jack Williams

Grievance Arbitration: A Review of Current Problems

edited by M.A. Hickling, Vancouver
the Institute of Industrial
Relations, University of British
Columbia, 1977

This 191-page paperback is a collection of papers delivered at seminars held at the University of

British Columbia Nov. 26-27, 1976, and Feb. 11-12, 1977, under the joint sponsorship of the University's Institute of Industrial Relations and the Arbitration Services of the B.C. Ministry of Labour. The speakers were lawyers engaged in arbitration in the province, and the topics include seniority, discharge, the admission and use of extrinsic evidence in labour arbitrations, and probationary employees. Paul C. Weiler, chairman of the provincial labour board, delivered the keynote address: "The Code, the Collective Agreement, and the Arbitration Process: as Seen from the Labour Board." The papers fulfil the foreword's promise of representing analyses of "the more difficult issues facing arbitrators and advocates in Western Canada."

— R.L.

Research Notes

Absenteeism

A Survey of Absence Rates in Australia. Department of Productivity, 1977.

A survey of 1,184 establishments in manufacturing and non-manufacturing industry, conducted in October 1976, found an overall absence rate of 4.0 per cent in Australian industry. Among the findings:

- Manufacturing industry had higher rates of absence than non-manufacturing, the highest rate being found in the 'Vehicles and Ships' group.
- In both manufacturing and non-manufacturing industry, larger establishments had higher levels

of absence than smaller establishments.

- Absence was higher among manual workers than non-manual workers.
- Manual workers employed in manufacturing industry had higher absence than those in non-manufacturing.

Dispute Settlement

An Examination of Fact Finding, 1976/1977. Ontario Education Relations Commission, 1977.

Fact finding is a significant aspect of the Ontario School Boards and Teachers Collective Negotiations Act. The appointment of a third-

party neutral to investigate and report on negotiations affords an opportunity for the parties to clarify and resolve whatever differences exist. It is a necessary procedure to complete before a strike or lockout can take place.

An analysis of experience during the first two years of the Act's operation, based on questionnaires to fact finders and to the parties, and on a content analysis of fact finders' reports, demonstrates the potential of this process for resolving issues in teacher-school board bargaining. The degree of success achieved in individual cases, however, depends on the skills of the fact finders, the number of kind of issues in dispute, and the willingness of the parties to resolve them.

"Med-Arb and Vancouver Police Negotiations, 1970-1976," by E.G. Fisher and Henry Starek. *The Canadian Personnel and Industrial Relations Journal*, September 1977.

Since 1971, Vancouver's Police Union and the City of Vancouver have used a med-arb system of dispute settlement in collective bargaining negotiations. Under this system, the mediator-arbitrator can declare, at his discretion, that an impasse has been reached during mediation. Then he arbitrates the issues that were not resolved during the mediation phase.

Experience with this technique shows that it can be a flexible tool, promoting contracts that are largely negotiated, tailored for the parties to the agreements, and capable of instilling industrial peace. The authors conclude, however, that it is neither above reproach nor universally applicable.

"L'injonction en temps de grève," by Fernand Morin. *Relations Industrielles*, Vol 32, No. 3, 1977.

This article examines the usage of injunctions during work stoppages in Quebec, including the questions of when and how they are obtained and who obtains them. The results are compared with previous research by Carrothers and Palmer on injunctions in Ontario and British Columbia.

From an analysis of 204 requests for injunctions in 1974 and 1975, the author examines 82 questions under three major headings: (1) the process of obtaining injunctions (who, when, and how); (2) the nature of the judicial order and its consequences; and (3) the context and implications of this intervention. He concludes that there are many similarities between the findings of this study and those of the earlier studies on Ontario and British Columbia: the injunction

serves the same purposes, the methods used to obtain them are similar, and the nature of the intervention is the same.

Trade Unions

"The Union Convention: An Examination of Limitations on Democratic Decision-Making," by John C. Anderson. *Relations Industrielles*, Vol. 32, No. 3, 1977.

Industrial relations theory and research have stressed the vital role played by the convention in the government of trade unions. This article examines a series of factors which may limit the existence of democratic decision-making within the union convention, based on research conducted at the thirty-first biennial convention of the B.C. Government Employees Union in June 1975.

One factor that may detract from democratic decision-making is the possibility that delegates may not be truly representative of their constituent bodies. Another is restrictions on when and where resolutions may be submitted and who may submit them, as well as the role of the union executive in screening and compiling the resolutions. Within the convention itself, several influences may limit the amount of debate, making the convention less important in policy making in the eyes of both the membership and the delegates. Not having enough information on the resolutions, receiving prior instructions on how to vote, feeling pressure from various sectors, and not feeling free to vote independently on resolutions were all found to be important deterrents to democratic decision making within the convention. Union staff were also seen to have a strong impact on how resolutions were decided.

"Union Effects on Hospital Administration: Preliminary Results from a Three-State Study," by Richard U. Miller, Brian B. Becker, and Edward B. Krinsky, *Proceedings of the 1977 Annual Spring Meeting*, Industrial Relations Research Association.

As part of a larger study on the incidence, growth, and effects of hospital unionism in the United States, the authors analyzed the impact of unions on wages and other costs in the hospital industry.

Preliminary results indicate that, on average, unions raised relative occupational wages approximately 5 per cent. The union effect on fringe benefits averaged 8.4 per cent. In addition, hospital costs were raised as a result of other costs associated with collective bargaining, e.g., the cost of establishing grievance and dispute settlement procedures. Part of this was offset, however, by the fact that unionized hospital occupations experienced up to 50 per cent lower turnover than their non-union counterparts. The net result was a union impact on average costs per patient-day in the order of 2 to 4 per cent.

Wages

"A Study of Construction Pay Scales: Canada and the United States," by Lorne Collingwood. *Labour Research Bulletin*, September 1977.

This report compares hourly union rates in the British Columbia construction industry with union construction rates in other regions of North America. It was conducted with the specific intention of comparing building trade wage hierarchies — 'pecking orders' as they have come to be known — and with a view to providing some

basis for common understanding with regard to the B.C. pecking order.

The analysis reveals that, while considerable hierarchical variation is apparent in North America, it is a variation on a common theme. A mechanical trade virtually always frequents the top of the hierarchy while other trades are usually found at the lower and middle

levels. A composite wage hierarchy for North America shows that the plumber is the top-paid trade, followed by the electrician, the boilermaker, the iron-worker and the sheet metal worker. At the bottom of the scale, the labourer receives 72.6 per cent of the plumber rate. British Columbia possessed a hierarchy which closely resembled the North American average.

In his conclusions, the author discusses alternatives to collectively bargained hierarchies, including common-front bargaining, which would require the craft unions to agree on a formula to determine the wage hierarchy.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations writer and researcher in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Arbitration, Industrial

Hickling, M.A., ed. *Grievance arbitration: a review of current issues.* Vancouver, Institute of Industrial Relations, University of British Columbia, 1977. 191p.

International Labour Office. *Grievance arbitration; a practical guide.* Geneva, 1977. 71p.

Collective Bargaining

Morse, Bruce. *How to negotiate the labor agreement; an outline summary of tested bargaining practice expanded from earlier editions.* 7th ed. Southfield, Mich., Trends Publishing, 1977. 83p.

Economic Policy

Higgins, Benjamin Howard. *Dare we decontrol?* Ottawa, Department of Economics, University of Ottawa, 1977. 28p. (Ottawa, University. Department of Economics. Research paper no. 7713)

Income

Henderson, D.W. *The distribution and evolution of Canadian family incomes, 1965-1973,* by D.W. Henderson and J.C.R. Rowley. Ottawa, Economic Council of Canada, 1977. 171p. (Economic Council of Canada. Discussion paper no. 91)

Henry, Jacques. *L'appartenance ethnique et la répartition des revenus du travail à Montréal de 1961 à 1971.* Ottawa, Département de science économique, Université d'Ottawa, 1977. 39p. (Ottawa, University. Department of Economics. Research paper no. 7712)

Industrial Democracy

Newton, Keith. *The theory and practice of industrial democracy: a Canadian perspective.* Ottawa, Economic Council of Canada, 1977. 81p. (Economic Council of Canada. Discussion paper no. 94)

Industrial Disputes

Malles, Paul. *Canadian industrial conflict in international perspective.* Ottawa, Informetrica Limited, 1977. 1v.

Industrial Relations — Seamen

Rubenowitz, Sigvard. *The shipping industry in Sweden,* by Sigvard Rubenowitz and Alf Gleerup. Geneva, International Institute for Labour Studies, 1977. 28p. (International Institute for Labour Studies. Research series no. 25)

Labour Laws and Legislation

American Bar Association.

Committee on International Labor Law. *The labor relations law of Canada.* Editor in chief, Richard Martin Lyon; associate editors, Mortimer Riemer and Edwin R. Teple. Washington, Bureau of National Affairs, 1977. 241p.

Night Labour

Carpentier, James. *Night work; its effects on the health and welfare of the workers,* J. Carpentier and P. Cazamian. Geneva, International Labour Office, 1977. 82p.

Plant Closing

Guertin, Jean-Aimé. *Analyse coûts-bénéfices de fermetures d'entreprises,* par Jean-Aimé Guertin, Jean-François Guilloteau et Paul-Martel Roy. Québec, Direction générale de la recherche, Travail Québec, 1977. 164p.

Retirement

Conference Board. *Retirement: reward or rejection?* by J. Roger O'Meara. New York, 1977. 69p.

Technological Change

Work and technology. Edited by Marie R. Haug and Jacques Dofny. London, Sage Publications, 1977. 258p.

Women — Employment

Barry, Francine. *Le travail de la femme au Québec; l'évolution de 1940 à 1970.* Montréal, Presses de l'Université du Québec, 1977. 80p.

Chafe, William Henry. *Women and equality; changing patterns in American culture.* New York, Oxford University Press, 1977. 207p.

The working sexes: symposium papers on the effects of sex on women at work. Patricia Marchak, editor. Vancouver, Institute of Industrial Relations, University of British Columbia, 1977. 194p.

Women in Labour Unions

Women in the labour movement; the British experience, edited by Lucy Middleton, Foreword by Rt. Hon. James Callaghan. London, Croom Helm, 1977. 221p.

Work Satisfaction

Centre des dirigeants d'entreprise. *Le malaise des cadres: une réévaluation.* Québec, Direction générale de la recherche, Ministère du travail et de la main-d'oeuvre, 1977. 90p.

Spencer, Charles. *Blue collar; an internal examination of the workplace.* Chicago, Lakeside Charter Books, 1977. 242p.

Back issues of The Labour Gazette

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1976: January, March, April, May, June, July, September, October, November, December.

1977: January, July, August, September, October, November.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, SEPTEMBER 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1977					
September	59	185	136,482	1,943,860	1.08
October	78	181	927,888	2,035,720	1.14
November	52	138	54,886	498,700	0.26
December	37	110	45,090	249,020	0.13
1977*					
January	47	113	29,132	227,670	0.13
February	45	111	19,272	193,140	0.12
March	69	133	23,441	226,220	0.12
April	76	160	39,133	353,400	0.21
May	60	154	32,857	359,740	0.20
June	59	162	31,675	326,520	0.17
July	51	169	40,805	466,650	0.26
August	68	175	36,984	404,490	0.20
September	65	186	32,328	311,680	0.17
January-September 1977*		606		2,869,520	0.18
January-September 1976		872		8,826,650	0.53

*Preliminary

WORK STOPPAGES BY INDUSTRY, SEPTEMBER 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Sept.)
		Number	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	3	345	7,100	63,090
Fishing	0	0	0	0	20,800
Mines	3	6	1,433	9,760	102,250
Manufacturing	26	83	18,150	194,950	1,523,760
Construction	5	10	5,110	16,100	417,070
Transp. & Utilities	11	25	3,047	20,490	160,840
Trade	7	21	1,506	26,240	128,310
Finance	2	3	268	3,230	10,670
Service	5	19	1,042	14,460	305,540
Public Admin.	6	16	1,427	19,350	137,190
Various industries	0	0	0	0	0
TOTAL	65	186	32,328	311,680	2,869,520

WORK STOPPAGES BY JURISDICTION, SEPTEMBER 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Sept.)
		Number	Workers involved	Duration in man-days	
Nfld.	7	7	897	7,610	126,890
P.E.I.	0	0	0	0	0
N.S.	0	5	209	3,500	19,500
N.B.	1	2	529	10,510	30,940
Québec	21	81	7,578	124,080	1,281,990
Ontario	17	52	15,966	120,260	990,580
Manitoba	1	1	230	4,830	25,370
Saskatchewan	4	9	760	2,390	29,610
Alberta	2	6	1,129	8,540	64,850
B.C.	10	14	3,647	19,720	122,380
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	63	177	30,945	301,440	2,692,110
Federal Public Service(1)	1	1	250	130	12,800
Federal Industries(2)	1	8	1,133	10,110	164,610
Federal total	2	9	1,383	10,240	177,410
TOTAL	65	186	32,328	311,680	2,869,520

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

The Law Relating to Working Women. Summarizes selected international instruments and Canadian legislation, both federal and provincial, relating to the status of women in employment. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1976. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

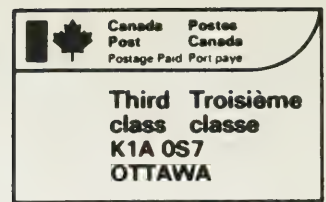
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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coping with stress



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**Labour
Canada**

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PRODUCTIVITY

Can be measured in public sector

Productivity can often be measured in public service operations with as much accuracy as it is being measured in the private sector, concludes a study by the Pay Research Bureau of the Public Service Staff Relations Board in Ottawa. "Contrary to traditional views, there is no lack of output indicators which can be used as measures," the 132-page study report, entitled *Productivity Measurement in the Public Sector*, asserts. This conclusion follows an examination of programs undertaken by the federal Treasury Board and Statistics Canada, as well as of systems of productivity measurement implemented by both the United States government, and several municipal governments in the U.S.

A number of different productivity measures were used in the various projects, and Statistics Canada and Treasury Board are now undertaking work to create acceptable bases for productivity indices based upon such data as are currently readily available. The study notes examples of such data used in earlier pilot studies in the federal public service — the volume of mail and other services, weighted by type, in the Post Office, for example; the number of tax returns processed, tax audits and instalment accounts, all weighted by type, in the Depart-

ment of National Revenue; the number of employers subject to audit, applications for benefit, and payments made in the Unemployment Insurance Commission; weighted types of welfare payments and services to veterans and their families, in the Department of Veterans Affairs Welfare Services Branch; the types of owned and leased accommodation weighted by imputed rental revenues, in the Department of Public Works; and, in the National and Historic Parks Branch of the Department of Indian and Northern Affairs, the number of visitors to historic sites and national parks.

The Pay Research Bureau says its report is submitted "as an informative" work, not a recommendation of any particular approach to productivity measurement. It does, however, point out that its research indicates several essential steps for the successful introduction of a productivity measurement plan in the public sector. These include obtaining commitment from and involvement of top managers, the acquisition of "analytical talent" to develop a program "based on in-depth knowledge of local problems as well as solutions to similar problems in other locations," and consultation with the employees' union. "In some cases, where work rule agreements and traditions have the force of law, a form of productivity bargaining is absolutely necessary," the report observes.

The report also notes that Treasury Board has established guidelines governing the measurement of performance of government opera-

tions, and that the long-term goal is to have all departments and agencies equipped with functioning operational performance measurement systems by 1980.

ILO

Budget cuts

The governing body of the International Labour Organization has approved program reductions of \$36,600,000 for 1978 and 1979, to help offset losses caused by the United States Nov. 1 withdrawal from the United Nations body. The U.S. contribution of 25 per cent of the budget would have amounted to 42.3 million over two years. The planned reductions amount to 21.7 per cent of the budget and the ILO will try to raise the remaining 3.3 per cent — or \$5.7 million — by a number of measures including voluntary contributions from member states.

The reductions may lead to staff cuts of up to 230 persons. They cover the entire range of ILO activities and will involve a reorganization of work at headquarters in Geneva.

An ILO spokesman is quoted by the International Confederation of Free Trade Unions as saying the People's Republic of China has "temporarily" withdrawn from all ILO activities and does not intend to pay any contributions. The Republic has not made any contributions since it joined the ILO in 1970 as successor to Nationalist China, and now owes \$9.8 million.

MULTINATIONALS

New ILO proposals

The governing body of the International Labour Organization has adopted a set of voluntary labour policy principles for multinational enterprises, covering employment, training, conditions of work and life, and industrial relations.

A declaration outlining the proposals is being sent to union and employer organizations in the ILO member countries as well as to the United Nations for possible use as part of, or an appendix to, the UN code of conduct for transnational corporations.

The declaration says that while multinational enterprises can bring substantial benefits to home and host countries, their operations may lead to conflicts with national policy objectives and with the interests of workers.

EARNINGS

Lower increases under AIB guidelines

Major employers not covered by the Anti-Inflation Board guidelines have been granting larger salary increases than employers who are under the controls, a survey of employers in six provinces finds. Average increase in 1977 by the firms and government agencies not under the guidelines was 8.8 per cent, compared with an average 7.7 per cent for those under the guidelines, according to the survey by the Toronto management consulting firm of Stevenson and Kellogg Ltd. The companies outside controls expect

average pay increases of 7.7 per cent in 1978, compared with an average 6.6 per cent for those covered by controls. The survey covered 500,000 employees of 509 companies and government agencies in 91 occupational categories.

WORK STOPPAGES

International comparisons

A report by the International Labour Organization says strikes and lockouts cost Canada an average 2.27 working days per worker in 1976, the highest in 55 countries, but Labour Minister John Munro disputes the figure.

"International comparisons are close to meaningless because the data from the various countries in the comparisons are compiled on a different basis," Munro said in a Nov. 23 statement. For example, he said, most countries do not report political strikes to the ILO but the Canadian figures include approximately 800,000 man-days lost to the Canadian Labour Congress Oct. 14 'day of protest'. Another difference is that the Canadian data include man-days lost in the public sector, but the ILO statistics exclude public sector stoppages. A third difference, he said, is that reporting of man-days lost has different rules. For example, Australia does not report man-days lost until after the first two weeks. Other countries may exclude the first few days or the first few weeks of a work stoppage.

"The figures for Canada in 1976 showed 11,609,890 man-days lost in a workforce numbering 8,243,000 in the non-agricultural sectors," Munro explained. The percentage loss per worker for 1976 was 1.41 — not 2.27 as reported by the ILO. The difference

in these two figures is accounted for by the fact that the ILO has applied man-days lost against only four or five sectors of the economy."

Munro also noted that Canada's record of man-days lost has improved considerably since 1976.

Third quarter 1977

Direct time loss from work stoppages due to strikes and lockouts in Canada amounted to 1,182,820 man-days in the third quarter of 1977. In relation to the total estimated working time of non-agricultural workers, this represents approximately 19.7 man-days per 10,000 man-days worked. The comparable figure for the third quarter of 1976 was 4,120,190. Work stoppages numbered 530 in the third quarter of 1977 and involved a total of 110,117 workers.

During the first nine months of 1977 the total time lost due to strikes and lockouts amounted to 2,869,520 man-days, less than one third the 8,826,650 man-days lost during the corresponding period of 1976.

THE ECONOMY

OECD predicts "difficult" year

The Organization for Economic Cooperation and Development sees 1978 as a "difficult" year for the Canadian economy with slow growth, low demand for consumer goods and a possible increase in unemployment. In its semi-annual review of economic trends in its 24-member countries, the OECD says the expansionary measures announced last October by Finance Minister Jean Chretien,

including the phasing out of anti-inflation controls, "seem unlikely to improve overall growth performance very much during 1978."

The review says the unemployment rate may reach 8.5 per cent and perhaps even go higher. Gross national product is expected to increase from 3.5 to 4 per cent, an improvement over the 2.25 per cent increase of 1967. But, the OECD maintains, a growth rate of 5 per cent would be needed to prevent unemployment from rising next year. Moreover, despite recent layoffs, there is still a surplus of "hoarded" labour in manufacturing. Hence the increase in overall employment may be less than 2 per cent in 1977 and may ease further to 1.5 per cent in 1978.

Despite the phasing out of controls, the OECD says that weaknesses in the demand for labour are likely to contribute to a further slowing down in the rate of increase of unit labour costs to a rate of possibly 5 per cent from just over 7 per cent in 1977.

Real disposable household income is expected to rise by only 3 per cent with most of the increase coming in the first half of the year — well short of the average 7 per cent annual increase achieved over the 1971-76 period.

The review says there are good prospects that the inflation rate may decline to 6 per cent as external pressures on domestic prices become less severe.

FREIGHT TRANSPORT

Hall report criticized

Recommendations of the Hall Commission report on grain handling and transportation have come in for criticism in a discussion paper prepared for the Ontario Economic Council by Alan Abouchar, a professor of economics at the University of Toronto.

The Hall report, prepared by Emmett Hall, a former justice of the Supreme Court of Canada, was released in May 1977 after two years of hearings. Its recommendations include the abandonment of 2,165 miles of railway branch lines and the investment of \$445 million to improve others; improving grain handling facilities at Thunder Bay, Ont., and subsidies to municipalities affected by the proposed rail closings.

In a discussion paper entitled "An Economic Analysis of the Hall Commission Report," Abouchar says many of the Hall recommendations are at variance with what are, or should be, the proper goals of public policy. Prices should reflect real social costs, Abouchar contends, except where some explicit income distribution or political objective is evident.

While the report asks for preferential treatment of the Prairie grain economy, "one searches in vain" for a valid justification "based on national economic welfare or national political purpose," Abouchar writes. Price distortions and subsidies only encourage inefficiencies in the Canadian transport sector and should be eliminated, he contends.

Abouchar also recommends that all statutory bases for freight rates, with the possible exception of the Maritime Freight Rates Act, be reviewed and probably

eliminated "on the grounds that they represent distortions in the Canadian price system." If some kind of income advantage is considered to be desirable for farmers, he recommends a system of compensation by the Canadian Wheat Board or provincial wheat pools rather than subsidized freight rates.

UNIONS

Prairie bank union certified

The Royal Bank of Canada intends to appeal last June's ruling by the Canada Labour Relations Board allowing union organization on a branch-by-branch basis. *The Financial Post*, a Toronto weekly, on Nov. 19 quoted Peter Tucker, Royal's director of employee relations, as saying the ruling will be appealed "on technical grounds." And on Dec. 17 the Canadian Labour Congress executive council approved plans for its national organizing campaign among bank workers.

The first certification of a bank union in the Prairie provinces was granted Nov. 13 when the United Bank Workers section of the Service, Office and Retail Workers Union of Canada became bargaining agent for employees at Royal's branch in Melfort, Sask.

Opposition to compulsory membership

About 55 per cent of 1,039 adult Canadians surveyed in 1977 by the Canadian Institute of Public Opinion said workers should not be required to join a union even if they work in a unionized factory or business. Another 39 per cent said

they should, and 7 per cent had no opinion.

The results show increasing opposition to required union membership. In a similar poll in 1968, 50 per cent of respondents said a worker should not have to join a union, an opinion held by only 37 per cent of respondents in a 1966 poll.

EMPLOYMENT

Spreading the work

In the face of growing unemployment in Belgium, government, employers and unions have agreed on programs to open up jobs by encouraging early retirement, discouraging overtime and raising the school leaving age from 14 to 15.

Agreement came through the National Labour Council, a 22-member advisory body on which representatives of employers and unions have sat since it was founded in 1952.

The national agreement on overtime work, which has the effect of law, requires employers to notify the National Employment Office within three days of any overtime worked. The Office is responsible for vocational guidance, advertising job vacancies and managing vocational training and retraining. It is hoped the notifications will help it assess skill shortages and achieve a better distribution of available work.

Work-sharing programs studied

A new study credits work-sharing programs with lessening the

impact of the 1974-75 recession on employment in Western Europe.

The study was developed at the Centre for Social Policy Studies in Washington and headed by Sar Levitan, the Centre's director, and Richard Belous. They report their findings in a new book entitled *Shorter Hours, Shorter Weeks: Spreading the Work to Reduce Unemployment*, published by the Johns Hopkins Press.

They note that although the recession hit Europe and the United States with about the same degree of severity, unemployment was much lower in Western Europe — not reaching 5 per cent in any country. They give much of the credit for this to work sharing over prolonged periods.

Most European countries have designed their unemployment insurance benefits specifically to encourage work sharing, while the U.S. system discourages work sharing by excluding part-time workers from its benefits, they argue. The authors also note that work sharing was applied in only a few special cases in the U.S. even though it is often permissible under major union contracts.

In Canada, in 1977, the United Steelworkers of America rejected a work-sharing proposal to reduce the impact of the impending layoff of 3,400 employees at Sudbury, Ont., and Thompson, Man., by the International Nickel Company. The same union agreed, however, to a somewhat similar program to ease the effects of work reductions at the Brunswick Mining and Smelter Corporation at Bathurst, N.B.

In some unions, older members, who are protected against layoffs by seniority provisions in their collective agreements, are frequently reluctant to agree to work-sharing proposals.

Training for male occupations

The Swedish government has a formal program under way to train women for employment in occupations traditionally filled by male workers, including heavy construction, mining and manufacturing. The government provides subsidies of up to \$1.50 an hour for as long as six months to employers who hire women and train them for such jobs. It also provides its own training programs, and has hired 100 officers to counsel women on job training and help them find employment.

Since 1974, the government has required that companies receiving grants and loans for development hire women for at least 40 per cent of the new jobs. Since such loans are limited to the sparsely settled northern areas of Sweden, the policy is expected to increase the number of women employed in forestry and mining.

The training programs were recommended by an advisory council established by the government in 1972 after the 1970 census showed that 75 per cent of women workers were employed in 25 "traditional" women's occupations such as teaching and nursing.

COLLECTIVE BARGAINING

Retiree benefits bargainable

The British Columbia Labour Relations Board has set a Canadian precedent by ruling that a union has the right to bargain on pension benefits for its retired members, and even to take strike action in pursuit of its bargaining objectives.

The Board dismissed a complaint from the Canadian Paperworkers'

Union that the Pulp and Paper Industrial Relations Bureau, which represents several employers, had bargained in bad faith by refusing to discuss improved pensions for retired workers. But the Board's ruling also said that "the issue pursued by the CPU in its negotiations with the Bureau is a legitimate subject for collective bargaining within the legal regime of the Labour Code." It was up to the union members to decide "whether retiree benefits are sufficiently vital to their conditions of employment that they should take strike action in order to change the Bureau's mind."

The union argued that the practice of bargaining for retired employees is widespread in North America. The United Auto Workers, for example, has bargained on behalf of retired members since 1950.

1978 Calendar of Expiring Collective Agreements

Major agreements covering 440 bargaining situations, and involving 892,625 employees in industries other than construction, will expire in 1978, according to the "1978 Calendar of Expiring Collective Agreements" published by Labour Canada. Each bargaining situation covers 500 or more employees.

Based on a total of 966 major non-construction collective agreements covering about 2,024,110 employees, the figures indicate that approximately 45 per cent of the agreements covering approximately 44 per cent of the employees will be subject to negotiations in 1978. The Calendar also contains a list of 19 major agreements that provide for the reopening in 1978 of specified clauses, usually wages. Of these agreements, seven expire later in

1978. The expiring collective agreements are listed alphabetically, by province and month of expiry, and by industry. The lists also contain union affiliation, jurisdiction and the number of employees affected. A supplement to the Calendar, covering expiring agreements in the construction industry, will be available early in 1978.

Copies of the Calendar may be obtained from the Collective Bargaining Division, Labour Data Branch, Labour Canada, Ottawa, K1A 0J2.

QUALITY OF WORKLIFE

Experiment at GM's North Tarrytown plant

The success of a quality-of-working-life program at the General Motors plant in North Tarrytown, N.Y., makes it a "landmark" experiment, according to Jerome Rosow, president of the Work in America Institute. Rosow, speaking at a conference on productivity and working life in New York City, is quoted in an article in the December issue of *World of Work Report*, the Institute's monthly periodical, which describes the Tarrytown project in some detail.

In 1967, the Tarrytown plant was reportedly on the brink of disaster. Deep hostility smouldered between union and management, the absenteeism rate was "staggering" there was constant disciplining of employees and an "enormous" backlog of grievances. "Strikes were the norm, with communications between union and management almost non-existent," says the

article by Beatrice Walfish. "Production, efficiency and quality were so low that many people feared General Motors would shut the plant down."

But today, employee morale is reportedly at an all-time high, absenteeism has dropped sharply, there has not been a strike or other work stoppage in seven years, and the plant recently won GM's best quality award as the firm's top unit.

In 1973, Walfish says, the "unprecedented" decision was taken to ask people on the line to help plan new work areas in a model changeover. The idea spread. Soon body shop employees were meeting in weekly "rap sessions" to find solutions for welding problems. Employees of the metal finish department worked with employees of the paint shop to develop improved finishing procedures. The employees who applied simulated wooden side decals to station wagons found a way to perform the process on the assembly line rather than in a "hold" operation, with a resultant increase in productivity.

The program has since expanded to the point that 50 employees a week are participating voluntarily in programs to train them in techniques of participation and group problem solving. About 95 per cent of the hourly employees have volunteered to participate in the training.

World of Work Report cites two major factors in the program's success: The people at Tarrytown — management and union — both perceived that if they did not try to "turn things around" GM might close the plant; both GM and the Auto Workers union supported the 'quality-of-working-life' concept.

Ontario

The Canadian Labour Congress policy of tripartism suffered another blow at the Nov. 28-30 convention of the Ontario Federation of Labour, in Toronto. Convention delegates adopted a resolution urging affiliated unions to oppose the policy at the 1978 CLC convention next April. The resolution said delegates to the 1976 convention which approved the policy of three-way consultation among government, business and labour did not have an opportunity to debate and understand it thoroughly.

A resolution on Quebec called on the federal government to adopt a new "made-in-Canada constitution based on equality" that would also take into account the country's regional, cultural and social differences. The resolution, adopted by a three-quarters majority vote of the 1,300 delegates, also said that French "must become and remain the language of work and education in Quebec." But it omitted any reference to self-determination by Quebec residents on the question of separation.

The debate and vote came the day after CLC Secretary-Treasurer Donald Montgomery, in a plea for a "renewed and rejuvenated federalism" that would keep Quebec in Confederation, said residents of the province have legitimate grievances and have suffered economic injustice. Montgomery said full employment would do more to keep Canada united and that jobs are the real issue in Quebec, not language.

To combat unemployment, the delegates resolved to organize

vigils before government buildings to draw public attention to the problem. And about one half the delegates participated in a Nov. 29 protest march on Queen's Park to demand job-creating programs.

Other resolutions adopted called for an increase in the provincial minimum wage from \$2.65 an hour to \$4.50; condemned a government bill on occupational health and safety as inadequate, and urged that the International Nickel Company, which recently announced plans to lay off 3,600 workers, be nationalized "under workers' control without compensation."

There was no election of officers at the 1977 convention, with the present executive, including president Cliff Pilkey, at the half-way mark of their two-year terms.

Quebec

The Quebec Federation of Labour convention, held in Montreal Nov. 28 - Dec. 1, 1977, heard strong appeals from two labour leaders for worker support for the New Democratic Party in the next federal general election. Julien Major, an executive vice-president of the Canadian Labour Congress, and QFL President Louis Laberge were critical of both the Liberal government and the Conservative Party in their addresses to the 800 delegates.

"Failing to defeat the Trudeau government would, in my opinion, be a crime against democracy," Major said. "On the other hand, electing PC Leader Joe Clark in his place would be one of the most

unfortunate things that could happen at this critical point in our history."

Laberge urged Federation affiliates to begin now to inflict a crushing election defeat on the Liberal government, which had been both "undemocratic and anti-labour" and had shown a "criminal" lack of action in combatting inflation and unemployment.

Laberge also described the federal government as "profoundly anti-Quebec," observing that it has "always denied that Quebec has the right to self-determination" of its political future.

Laberge also expressed skepticism about the Canadian Labour Congress' policy of tripartism: "Meetings of the CLC with the Trudeau administration and businessmen to negotiate the lifting of controls led to belief that the battle had been won, that it was only a matter of weeks or months. We were all expecting imminent results, and the Trudeau government was using these meetings cleverly to make workers and the population in general think that a happy ending was near. CLC management walked blindly and undoubtedly naively into a game controlled by the government from beginning to end, and is now waking up with a terrible hangover."

The New Democratic Party also came in for its share of criticism, and the convention adopted a resolution condemning the party for refusing to recognize Quebec's right to leave Confederation if it wishes, and for "straying from the socialist principles on which it was founded."

An economic policy paper said the Parti-Quebecois government should stop blaming the federal government for the province's ailing economy, and take steps of its own to improve it. The paper proposed massive job-creation programs, direct state intervention "in all sectors where private investment is insufficient," and substantial cuts in provincial income taxes for low- and middle-income earners to stimulate the economy.

The paper also called for a law that would require companies to justify layoffs and shutdowns before a tripartite committee of business, labour and government representatives. The committee, it went on to argue, would have access to all company and union records, and would be empowered to fine companies that ignored its decisions, and even to "expropriate" their assets.

The convention also adopted a motion calling for the resignation of Lands and Forests Minister Yves Berube for allowing Consolidated Bathurst Ltd. to shut down its Wayagamack newsprint mill at Cap-de-la-Madeleine last October, at a cost of 375 jobs.

The delegates also adopted resolutions calling for the establishment of kindergartens for five-year-olds, the creation of a network of day-care centres, increases in family allowances, and 20 weeks of maternity leave paid for by the government.

Other resolutions adopted called upon the provincial government to force Hydro-Quebec to roll back an 18-per-cent increase in hydro rates scheduled to start Jan. 1; urged creation of a miners' fund — to be paid for by the mining companies — which would subsidize relocation or retraining of mine

workers who lost their jobs through layoffs or shutdowns; and demanded that the provincial government scrap its auto insurance plan, which would cover bodily injuries only, and replace it with a state-run, no-fault program providing complete coverage.

Louis Laberge was re-elected president for an eighth consecutive term, by acclamation. Also re-elected by acclamation were secretary-general Fernand Daoust and the Federation's five vice-presidents.

Saskatchewan

Delegates to the Saskatchewan Federation of Labour convention, held in Saskatoon Oct. 14-17, overwhelmingly adopted a policy statement rejecting the Canadian Labour Congress' policy of tripartism — joint participation of labour with business and government in framing economic and social policy. Tripartism had been adopted by the CLC's 1976 convention, but the policy is expected to come up for close re-examination at the 1978 convention in April.

CLC secretary-treasurer Donald Montgomery did not mention tripartism in his address to the 275 convention delegates, which consisted in large part of an attack on the federal government for not solving the country's current high unemployment. He called on the government to adopt a program put forward by the federal New Democratic Party leader, Ed Broadbent. This would include \$1 billion in income tax reductions for low- and middle-income workers, a \$500 million housing and urban transit program and a \$400 million government capital works program.

In the traditional presidential address opening the convention, John MacLeod, who was later re-elected to the presidency, criticized Saskatchewan's NDP government for imposing wage controls on public-sector employees, and said the Federation should carefully consider what its political role should be.

Labour Minister Gordon Snyder, who later addressed the convention, said MacLeod's anger was justified but misdirected. "We set up a public-sector controls program because we feared that distortions and inequities would be glaringly apparent if the federal government's program were the only one in place," he said. The provincial government acted in good faith, he maintained, but to a large extent was "sold a bill of goods by the Prime Minister of Canada."

On its closing day the convention adopted a resolution calling on the federal government to scrap the Anti-Inflation Board immediately, and to reinstate all wages lost through rollbacks of negotiated settlements.

In other resolutions, the convention called for an increase in workmen's compensation benefits from the present 75 per cent of earnings to 100 per cent; universal parent-controlled 24-hour day-care funded by public grants; restrictions on the number of part-time workers any business can hire; provincial and federal "right to information laws," a reduction in interest rates; higher personal income tax deductions; changes in the income tax regulations to make mortgage interest payments deductible; and an inquiry into the provincial Public Service Commission, accused by some delegates of using anti-union tactics. [9]

Managing stress and job tension

by John H. Howard

Stress is becoming a significant threat to work performance and as such it is of considerable importance to both managers and the organizations in which they work. An individual's first job is clearly to become effective; his second is to maintain that effectiveness, and it is in this connection that stress is increasingly being seen as a significant risk.

Stress, of course, is not a new phenomenon. However, there are three broad reasons for renewed concern at this time. First, there is the issue of change and adaptation. Over the past few years, organizations have been responding continuously to a changing environment. They have been adjusting, adapting, attempting to find new structures and new policies to meet changing constraints and opportunities in the environment. Moreover, the need to adapt means stress, and when organizations are under stress, so are their employees.

The second reason for concern derives from the fact that, over the past 50 years, the nature of disease and disorder has changed. Chronic diseases are now the principle contributors to both morbidity and mortality. Indeed, each day some new evidence is produced that reveals the relationship of stress to chronic disease.

The third contributor to the renewed concern over stress is the fact that many jobs have become more complex, and therefore more difficult — the result of the impact of a variety of significant global changes in modern corporate

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society. Harland Cleveland, for example, has described three such changes:

- the coming of the 'horizontal society'
- the blurring of what is public and what is private, and
- the need for systems thinking, systems action.

These and other changes inevitably mean even more uncertainty and ambiguity in the future. They also mean a process of continuing adaptation and adjustment, and, as a result, increased stress.

For employees and organizations, the issue of stress has many dimensions. The most obvious is simply health and longevity. The personal tragedy in premature death is obvious, however, the corporate loss is also significant. How many cases have there been, for example, where individuals, having just risen to the point of assuming key positions, have died of coronary heart disease? On the very brink of making their most significant contribution? It is clearly important, therefore, that such a valuable resource be

The need to adapt means stress, and when organizations are under stress so are their employees

nurtured and treated with some vigilance. Indeed, this is an issue every manager and every corporation should consider. Do your employees have annual medicals? Do they know all they should about alcoholism, nutrition, exercise and stress? In short, do they know how to survive in the corporate world of the Twentieth Century?

Most people understand stress intuitively. It usually manifests itself as emotional discomfort accompanied by feelings of not being able to cope — a feeling that things are falling apart, that one is not in control, or just a general unease that all is not well, without any particular cause being apparent. At the physical level, it includes such symptoms as loss of appetite, sleeplessness, sweating, ulcers, as well as a general susceptibility to a variety of other illnesses.

In general, stress is the result of the body preparing itself for activity without the activity following. The consequence is that the body's systems are thrown out of balance, with excess acid secreted in the stomach, adrenalin in the blood, higher heart rates, and other inappropriate reactions. Chronic physiological preparation for action, without the action, leads to disease and disorder. Stress is fundamentally a psychophysiological phenomenon. It has to do with our feelings and emotions and how our body reacts to these.

Intense feelings and emotions are often the result of experiences we

encounter in organizations. In addition, some types of experiences are more stressful than others and the same experience can be more or less stressful depending on the individual. The stress potential of a situation has to be defined as a function of both the elements of the situation and of the individual. Individuals, however, tend to be more or less good at coping with stress and job tension. In addition, some techniques for coping tend to be more effective than others.

The personal tragedy in premature death is obvious, however, the corporate loss is also significant

In studies we have undertaken on job tensions, individuals were asked to indicate the various methods by which they coped with potentially stressful job situations. Their answers were grouped into the 10 categories listed below.

1. Build resistance by regular sleep, exercise and good health habits.
2. Compartmentalize work and non-work life.
3. Engage in physical exercise.
4. Talk through with peers on the job.
5. Withdraw physically from the situation.
6. Change to a different work activity.
7. Change strategy of attack on work.
8. Work harder.
9. Talk through with spouse.
10. Change to a non-work activity.

In follow-up studies, the effectiveness of each technique was determined by relating the usage of the technique to the incidence of stress symptoms. In terms of the average number of stress symptoms reported, the five best techniques for coping with job tensions were as follows:

1. Build resistance by regular sleep, exercise, and good health habits.
2. Compartmentalize work and non-work life.
3. Engage in physical exercise.
4. Talk through with peers on the job.
5. Withdraw physically from the situation.

The most effective mechanism, building physical resistance, is highly significant in designing an action plan for coping with stress. It reflects an awareness of the demands of the job, a sensitivity to one's own limited physical resources, and a readiness to deal with tension as it arises. An individual who has a preventative concern about his health will have available energy which can be used to help him deal with problems rationally and effectively. The individual who is healthy and alert has a much greater success potential as a "manager of stress," and thus also a greater readiness to deal with stress, than does the individual who neglects his health.

Indeed, the value of good health habits was recently demonstrated by Dr. Lester Breslow in a 5½-year study with 7,000 people. The seven habits studied were: 8 hours of sleep a day, breakfast every morning, no snacks, maintaining weight within limits, no

An individual who has a preventative concern about his health will have available energy which can be used to help him deal with problems rationally and effectively

smoking, moderate alcohol consumption, and moderate exercise. Dr. Breslow found that at age 45, those following six or seven of these habits, had an additional life expectancy of 33.1 years while those at age 45, following three or less of the habits, had an additional life expectancy of only 21.6 years. Dr. Breslow also found the effect to be cumulative — the more health habits you follow, the better your health.

Coping effectively with *change* as a stress-producing force often requires a reassessment of both attitudes and lifestyle. Research by the author has shown that some individuals are more "change-prone," and that this same group is often less efficient in dealing with the stress resulting from change. To become an effective "manager of stress," the individual must maintain change events within tolerable limits. This is not to say that one should suppress change — indeed change constitutes the basic dynamic of life itself — but rather, one *should* consciously plan those events that are controllable, so as to maintain a firm grasp on the events and activities of day-to-day living. At the same time, the individual who is aware of the fact that the unexpected does occur, prepares himself by retaining a "reserve" of energy to cope with unanticipated events.

One *can* make a conscious decision to either experience life as a series of inevitable, uncontrollable events, or to actively control and anticipate occurrences

in the present and in the future. The two extremes in an attitude may be termed “*active participation*” and “*passive reaction*”.

The “active participator” can be described as one who simplifies his lifestyle by consciously selecting and timing the occurrences of specific milestones in his life. He is aware of, and considers, his personal energy level (psychological and physical capacity), and does not judge personal success by the number of activities and new events he can handle without first “breaking down” or “burning out.” He leaves a reservoir of untapped time and energy for those unexpected events that otherwise may cause disruption and distress. He is a “manager of change.”

One can make a conscious decision to either experience life as a series of inevitable, uncontrollable events, or to actively control and anticipate occurrences in the present and in the future

On the other hand, the “passive reactor” tends to leave his life to fate. He tends to pride himself on the number of activities and new undertakings he can cram into an already busy schedule. He does not anticipate the fact that, sooner or later, the one unexpected event will occur that is too large to fit into his chaotic and over-burdened lifestyle. “Change,” therefore, occurs not only more frequently (from a self-inflicted source), but, as it is often unanticipated, also tends to hit harder.

From evidence collected in previous research by the author a continuum has been constructed, representing at its extremes, the least and most effective attitudes toward life and change, and the

subsequent mechanisms used to cope or adapt. The ends of the continuum may be imagined as two hypothetical individuals composed of their polar extremes in attitudes, actions and coping dispositions. This may be demonstrated as follows:

Styles of Coping with Change

Least Effective

(The passive reactor)

1. Reacts passively to life’s events.
2. Leaves his life to “fate”. Tends to “cram” rather than “plan” his activities.
3. Little foresight or anticipation of events.
4. Allows events to accumulate until unable to cope when the unexpected arises.
5. Perceives the environment, and most change events as generally threatening.
6. Faced with potentially stressful change, tends to react compulsively, most often in a stereotyped manner.
7. May unconsciously choose a coping mechanism that actually increases resultant stress reaction through adverse consequences.
8. Continues to tax his psycho-physiological capacity to the limit. Stress symptoms accumulate.

If an individual’s goal is to cope successfully with his constantly changing environment and to adapt within the dynamics of an evolving lifestyle, he should attempt to consciously move toward the right-hand extreme of this continuum.

Most Effective

(The active participator)

1. Participates actively in his life.
2. Maintains life change events within tolerable limits by making a conscious selection of controllable activities.
3. Anticipates and prepares for likely events in the foreseeable future. Has good foresight.
4. Builds and maintains a reservoir of untapped time and energy to deal with unexpected events.
5. Views the environment objectively. Sorts events into categories of importance, urgency and degree of actual threat.
6. Faced with potentially stressful change, takes “time out” to evaluate alternative strategies, perhaps even adopting a novel solution to a novel problem.
7. After careful evaluation, tries to adopt the mechanism of coping most apt to reduce potential stress and aid in successful adaptation.
8. Stress is effectively eliminated or reduced. Continues to operate well within his adaptive range, and avoids over-taxing his psycho-physiological capacity.

What can the concerned individual do, *today*, to begin his training in the management of stress? In summary, the following steps may be considered:

1. Consciously assess your own pace of life at present. Take inventory of all recent changes, include current or upcoming change events. Analyze job situations and identify those which you find particularly stressful. Ask yourself if you feel generally tense, overloaded, unsure about your job status, or confused by your state of affairs.

Stress is not all bad...the basic issue is not its elimination but its containment and allocation — the management of stress

2. Try to become aware of your own psycho-physiological threshold. Practise sensitivity in detecting stress symptoms (i.e., heart palpitations, headaches, rapid pulse, insomnia, etc.). Learn to identify a state of stress within yourself so you can begin to deal with it directly.

3. Simplify your life! Attempt to foresee the occurrence of specific stress-producing job events, and try to schedule these so they do not occur simultaneously. In the same way, budget change events in such a way that they remain within *your* perception of controllable limits. Don't suppress all change and tension — merely "manage" it. Leave job tensions at the office — compartmentalize work and home life. Become an "active participator" in controlling your life rather than a "passive reactor" to fate.

4. Leave room within your coping range for those unanticipated

Coping effectively with change as a stress producing force often requires a reassessment of both attitudes and lifestyle

stress situations. Don't load your time and budget your energy completely to its quota. Maintain a state of readiness by staying healthy and alert. Be prepared! Develop a preventative concern about your health.

5. When an unexpected stress situation or major change event arises, *stop* and think about it. Is it really as serious as it appears to be on the surface? Is it worth the expenditure of valuable energy resources in worrying and tension? Or, with the application of a little imagination and flexibility, can you adapt quite easily and readily?

6. Evaluate the various alternative mechanisms at hand for coping with tension. Are the "old ways" still working effectively? Or, is it time to take a break, get away from it all, and evaluate new courses of action objectively? Begin to design and apply a broad repertoire of alternate responses. Be flexible and imaginative, and shy away from stereotypic reactions. Follow through by analyzing the implications and range of consequences in your responses.

7. Above all, be in conscious control of your life. Participate actively, imaginatively and with flexibility.

8. Remember also that stress is not all bad — that some stress is both necessary and desirable. The basic issue is not its elimination but its containment and allocation — the management of stress. [9]

Toronto Star Syndicate



"You've got to slow down and take it easy, have you thought of getting a government job?"

Tripartite consultation at the national level

by Ed Finn

Labour historians, looking back at 1977, may identify it as a pivotal year in the development of the Canadian economy generally, and of the labour relations system in particular. Its significance, however, lies not in what happened — but in what didn't happen.

It was the year that prominent labour, business and political leaders attempted to initiate some form of tripartism in Canada — and failed.

The repercussions of that failure will be felt for a long time. It determined that, when the federal government's anti-inflation controls are lifted in mid-April, the system of income distribution that prevailed before the controls were imposed in October 1975 will be resumed. That system, of course, rooted in the "free enterprise" credo, is a variation of the law of the jungle, in which the most powerful denizens grab the largest shares, leaving the small and the weak to fight over the crumbs.

It was this unfair and increasingly disruptive method of sharing the economic pie that, having gotten completely out of hand, prompted the federal Liberals to clamp on controls, despite their traditional aversion to such tampering with market forces.

There was a good deal of soul-searching during the first year or so of controls. Prime Minister Pierre Trudeau provoked a storm of controversy in December 1975 when he mused aloud during a television interview that perhaps the unfettered market system had outlived its usefulness — that

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perhaps it should be replaced by a planned economy in which the component groups would co-operate rather than fight one another.

He was accused of seeking to convert Canada into a corporatist state, which by inference was equated with a loss of fundamental rights. "Corporatism" is a term that has continued to be used ever since in the media in a wholly pejorative sense. It is equated with the fascist versions of corporatism under which Hitler's Germany and Mussolini's Italy completely overpowered and neutralized labour, business, and other socio-economic groups.

But state corporatism — or statism — was obviously not what the Prime Minister had in mind. He was referring to what Prof. Phillippe Schmitter, a leading expert on corporatism, calls "societal corporatism," in which the various interest groups join with the government to work out mutually beneficial economic policies.

Editorial writers and other critics of this concept have also attacked it as being an élitist system that would exclude all but the leaders of business, labour and govern-

State corporatism — or statism — was obviously not what the Prime Minister had in mind

ment from the decision-making or consultative process. They have confused corporatism with what has been termed "consociationalism," a jaw-breaker that does indeed describe a strategy of élite co-operation to assure stability in culturally fragmented societies. But the functional representation of socio-economic groups in national economic policy-making can (and should) be conducted democratically, if each group sets up the necessary internal mechanism.

These semantic distinctions have to be made before we can discuss intelligently the fate of tripartism in Canada in 1977. The word "tripartism" was adopted by its Canadian proponents primarily because of the unpleasant connotations evoked by "corporatism" — but essentially it carries the same meaning as the "societal corporatism" phrase coined by Prof. Schmitter.

Corporatism actually has its roots in 19th century Christian social thought, and has been supported by a broad range of thinkers, including Catholics, guild socialists, modern social democrats, fascists, conservatives, and even by pro-capitalist reformers. It is an eminently respectable term in Europe, where most countries have developed some form of tripartite economic consultation and co-operation.

Many writers on this subject, including Prof. Schmitter, believe that corporatism is an inevitable product of advanced capitalist states. "The decay of pluralism and its gradual displacement by

societal corporatism," he writes, "can be traced to the imperative necessity for a stable, bourgeois-dominant regime...to associate or incorporate subordinate classes and status groups more closely within the political process."

Prof. Roger Blanpain, in a recent paper examining tripartite consultative methods in several European countries, stressed the growing interdependence of the political, business and labour communities. Their interlocking interests, he noted, are such "that they cannot but be affected by one another's actions and their consequences — making it absolutely necessary for the parties involved to meet, to consult, and to develop common strategies and goals."

Five months after Trudeau's corporatist musings, which the Canadian Labour Congress at first denounced, the CLC adopted a manifesto at its 1976 convention that proposed its own version of tripartism. It differed in its details, and went further into economic planning than the prime minister had envisaged, but philosophically it put the congress on record as favouring government-business-labour co-operation.

A few months after that, and largely in response to government and labour initiatives, business executives from 92 of the largest corporations in Canada formed the Business Council on National Issues (BCNI). They never committed themselves publicly to tripartism, but they were clearly willing to discuss the feasibility of setting-up a consultative mechanism with labour and government. In fact, long after the CLC broke off "diplomatic relations" with the government last August after failing to agree on terms for lifting wage controls, top CLC and BCNI officials continued to meet in an effort to keep the

fading prospects for tripartism alive.

But it was too late. Most of the CLC's affiliated unions, as well as its provincial federations, reversed their stand on tripartism and now rejected it. The business community also split, with the Canadian Federation of Independent Business (CFIB), representing small business firms, also spurning any form of top-level accommodation from which it felt its members would be excluded.

...tripartism in Canada was still-born...for the years immediately ahead, we are going back into the economic rat race

As for the federal government, it turned in exasperation to working out a closer economic relationship with the provinces, developing policies that had little or no labour or business input.

So tripartism in Canada was still-born. It may be reincarnated some time in the future, if the theory of its inevitability is valid, but for the years immediately ahead we are going back into the economic rat race.

It may be instructive, however, to look at the reasons why the major groups in this country have decided to retain a system of conflict and confrontation, treating one another as adversaries, and eschewing a more rational and mature approach based on co-operation and consensus-seeking.

The barriers are both attitudinal and institutional, and they are formidable.

In terms of attitude, few Canadians are mentally ready for the radical changes that tripartism would entail. Union members have been

conditioned to regard the bosses — and most politicians — as their enemies, and to look on any form of co-operation with them as a betrayal of their interests. To alter that outlook of distrust would require an intensive re-educational program, which the CLC did not undertake before unveiling its manifesto. Delegates at the 1976 convention approved it without really grasping its implications. When they did, they reacted with outrage and put pressure on their unions to repudiate the manifesto.

The timing of the tripartite initiative was also bad for labour, coming as it did while the unions were battling against Ottawa's wage controls, and at a time when the Trudeau government's failure to prevent high unemployment aroused much resentment among working people. It was not a favourable climate to promote tripartism, or even "bipartism" — a more chummy relationship with the boss (more commonly known as industrial democracy). When Henri Lorrain, president of the Canadian Paperworkers' Union, proposed joint consultation and teamwork with the major paper mills at the union's last convention, he was told emphatically by his members that they would have no part of it.

Unionists with close ties to the New Democratic Party also feared that tripartism, involving an accommodation between labour and the ruling Liberals, would undermine traditional union support for the NDP.

The most vocal critics of tripartism within union ranks are the Marxists who, while not numerous, are among the most active and influential opinion-moulders at both the local and national level within the labour movement. Because of their commitment to class conflict, they deny that there is a community of

interest or any kind of interdependence between business and labour in a capitalist economy. They denounce tripartism as "fraternizing with the enemy." Most Canadian labour leaders are not Marxist, but they seem to have been convinced in this case that the Marxist critique of tripartism has some validity.

Businessmen, too, had qualms about entering into any arrangement that might restrict their privileges and profits, and even threaten their cherished beliefs in competition, enterprise, and the merits of individual initiative and zeal. Their readiness to talk about tripartism may have been grounded in the hope that it would have worked in practice to protect and enhance their corporate interests rather than jeopardize them. In any event, the discussions didn't proceed far enough to

It is the structural fragmentation of Canadian institutions, however, that militates most effectively against the development of tripartite economic planning

test the extent to which Canadian businessmen might have been prepared to depart from their long-held commitment to the market system.

Many politicians — of all parties — also had reservations about tripartism, fearing that it would somehow bypass Parliament and invest policy-making in a small group of union and business leaders. These fears, of course, have proved groundless in Europe, and there is no reason to believe the Canadian experience would be any different. Indeed, the CLC was

careful to point out that any consultative agencies established to implement a tripartite program would be answerable to one or more cabinet ministers, who in turn would have to justify tripartite proposals and actions to Parliament.

These assurances, however, failed to temper opposition to tripartism by many MPs, who remained suspicious of any move to transfer economic decision-making to labour, business and political leaders. They seemed oblivious to the fact that what we have now is an even smaller group of corporate directors and managers determining the direction and strength of the economy, with no involvement by labour representatives and very little by the politicians.

It is the structural fragmentation of Canadian institutions, however, that militates most effectively against the development of tripartite economic planning. Perhaps if the negative attitudes were changed, there would be a willingness to undertake the required centralization of our political, business and labour organizations; but even if the will were there, it would still be difficult to find a way.

One of the prerequisites to a workable tripartite system is that the participants must be able to commit their members to policies and objectives agreed upon "at the summit." In those European countries that have some form of tripartism, such as Norway, Austria, Sweden, and the Netherlands, both business and labour have highly centralized structures. In Sweden, for example, no employer can sign a collective agreement that is contrary to the policies of the Swedish Employers' Association; while the LO (the Swedish Confederation of Trade Unions) insists that affiliated unions obtain prior LO approval before calling a strike.



"You will sell short on margin thereby earning a handsome, capital gains-free profit"

It is significant, too, that except for West Germany, none of the major European nations where tripartism is practised has a federal system of government, like Canada's. Thus the national government enjoys full policy-making powers, without having to worry about the jurisdictional prerogatives of lower levels of government. Canada's federal government, on the other hand, must share or defer jurisdiction to the provinces in several key areas, such as natural resources, industrial relations, education, transportation, urban affairs, and health and welfare.

Prof. Donald V. Smiley has pointed out that a federalist system inhibits a coherent public policy, because the various provincial governments adopt different and often conflicting approaches to economic issues, without having any means for resolving such conflicts. He also claims that the provinces erect barriers to the free movement of goods, capital and labour — not by imposing provincial tariffs, which are forbidden by the Constitution, but by subsidizing certain industries and encouraging certain industrial developments, and by licensing various occupational groups.

The vast differences in geography, culture, historical traditions and economic activity between the provinces and regions of Canada add to the difficulty. The emphasis has been on accommodating these regional diversities, rather than trying to forge a strong sense of national identity. The emergence in Quebec of a government dedicated to achieving independence has accelerated the process of federal decentralization.

The diffusion of responsibility for industrial relations is particularly unfortunate, precluding the formation of a coherent national policy on collective bargaining and the whole field of labour-manage-

ment affairs. Even the 14-point program for improving labour relations introduced by the federal labour minister, John Munro, has been attacked by some of his provincial counterparts. In a speech at Thunder Bay, the deputy minister of labour for Ontario,

The vast differences in geography, culture, historical traditions and economic activity between the provinces and regions of Canada adds to the difficulty

T.E. Armstrong, charged that Munro's proposals "are being put forward without apparent regard to the division of legislative power under the British North America Act."

This is just one example of the kind of peripheral considerations in which so many vital policies get bogged down under our federal system. The politicians are obsessed, not with designing the best policy, but with the question of which government will implement and pay for it.

Turning to the Canadian labour movement, it is readily apparent that its structural disjunction is, if anything, even more severe than that of government. The European experience shows that, for a labour movement to be capable of participating in a tripartite system, it requires three structural prerequisites.

The first is *industrial unionism*, which cuts across craft lines and includes all categories of workers in an industry, from the very skilled to the unskilled. This structure enables the formulation of a single policy that stresses the community of interest among the entire work force, and constitutes a more rational basis for economic policy-making than the more fragmented craft units.

The Austrian Federation of Labour, for instance, is organized solely on an industrial union basis, and consists of only 16 industrial union affiliates. The same structure prevails in Sweden, West Germany, and other European countries where tripartism is practised.

The second structural prerequisite is *integrated unionism*, which refers to the degree of federation authority over affiliates, which has been mentioned previously, and also to the elimination of rival or dual unionism. Obviously, the fear of one union or labour centre that, if it should embrace tripartism, it would be subject to reprisals from competing organizations can be a serious inhibiting factor.

The third structural requirement is *centralized collective bargaining*, in which unions and employers are able to negotiate all-inclusive agreements that have an industry-wide — or even economy-wide — application. It goes further to involve the labour centres in collective bargaining, either to establish the broad parameters within which member unions may negotiate, or to co-ordinate (and, if necessary, restrict) the scope of affiliates' contract demands — or both.

As it is now structured, the Canadian labour movement meets none of these three preconditions. Craft unionism still flourishes here, primarily in the construction industry, but also on the railways, in the printing trades, in air transportation, and in several other industries. Although we have several industries organized on industrial lines, with all employees belonging to the same union, the norm is for them to be divided among several unions, all conducting separate negotiations with the employer. Of the 20 largest unions in Canada, seven are craft-based.

In addition to hampering consensus formation by the CLC and other labour centres, the multiplicity of bargaining units that craft and dual unionism inevitably spawn decreases job flexibility by making it difficult, if not impossible, to transfer workers from one group to another.

Craft unionists also tend to be inordinately proud of their special skills, highly individualistic, and very reluctant to submit to the kind of "general levelling" that industrial unionism — and beyond that, tripartism — would bring about.

We are also a long way from achieving integrated unionism. CLC leaders are acutely aware of this deficiency, and an important part of the 1976 manifesto was a call for a sweeping reform of its structure and organization to transfer much more power from the affiliates to the Congress.

The manifesto declared that "in the future, the CLC must have the power which can only come from the collective strength of its affiliates." Joe Morris contended that "it is impossible for each affiliate to continue in the belief that it can go it alone, no matter how large or how powerful it is. The future challenge can only be met by greater centralization in terms of policy and power."

The fact is that the CLC was purposely designed to be just a loose federation of unions, with its main functions to be confined to co-ordination and political lobbying. With the repudiation of the manifesto, it appears that any prospect of converting the Congress into a true power centre has also vanished, at least for the foreseeable future.

Another barrier to integrated unionism is the existence of a large rival union centre in Quebec — the Confederation of National

Toronto Star Syndicate



"Why can't they get their stationery from hotels like we do?"

Trade Unions, which itself has spun off another centre, the Centrale des Syndicats Démocratiques, composed of former CNTU members dissatisfied with its militant posture. This would not automatically be a deterrent to joint action, if the CLC and the Quebec organizations could agree on

The diffusion of responsibility for industrial relations is particularly unfortunate...and...the structural disjunction (of the Canadian labour movement) is, if anything, even more severe than that of government

common policies, but the differences between them, ranging from their approach to political action to their concept of militancy, are so deep as to be (at least for the time being) unbridgeable.

The third precondition to tripartite participation, centralized collective bargaining, is also a rarity in Canada. Not only do we have a system that denies the CLC any say whatever in its affiliates' contract negotiations, but a

system that is characterized — with few exceptions — by plant-level bargaining. Of all the collective agreements in Canada, nearly 80 per cent are negotiated between individual union locals and individual employers.

Apart from the railway industry, where 17 unions bargain jointly, true centralized bargaining has failed to materialize in Canada. The CLC's Commission on Constitution and Structure at the 1976 convention noted that "there are now, more than ever, considerable pressures for reform of our fragmented bargaining system." But those pressures have so far been successfully resisted.

Some of the union critics of tripartism have argued against it on the grounds that in any such arrangement labour would be an impotent junior partner. That might well be the case if the labour movement entered any such system with its present fragmented structure intact. It is clear that, to gain full partnership status with government and business, the CLC would have to undergo drastic internal reforms aimed at centralizing

bargaining and decision-making authority.

The business community also has serious structural problems. It now has four major organizations that purport to speak for the business sector — the Chamber of Commerce, the Canadian Manufacturers' Association, the Canadian Federation of Independent Business, and the recently formed Business Council on National Issues — but no single central body with extensive powers over its affiliates. As noted earlier, this is completely at variance with the centralized nature of business firms in most parts of Europe.

Apart from a tendency of Canadian employers to be more individualistic, there are two other deterrents to a more centralized approach. One is a widespread fear of excessive corporate power and concentration, which many might feel that tripartism would intensify. The other is the divergence of interests between large and small firms, which has surfaced with the conflict of views on many issues between the bigger corporations and the CFIB, which represents small businessmen.

The first objection can be answered by pointing out that tripartism, by subjecting what are now unilateral managerial decisions to scrutiny (and approval) by labour and government representatives, would have the effect of reducing rather than enhancing corporate power. The second obstacle, having to do with differences between the large and small companies, will have to be resolved internally, just as the CLC has to do.

Gordon DiGiacomo, a former Labour Canada technician, having recently completed a thorough study of the abortive effort to implant tripartism in Canada, points to another obstacle peculiar

Some of the union critics of tripartism have argued against it on the grounds that in any such arrangement, labour would be an impotent junior partner

to this country — “the low sense of legitimacy with which trade unions are regarded here.” Unlike the situation in Europe, where unions are accepted as a full partner in the economy, unions in Canada are still regarded with distrust and denied any meaningful voice or role in national decision-making. They are still fighting the battle for recognition and respect that the European unions won many decades ago.

Having looked at all these difficulties, it is not easy to be optimistic about the prospects for tripartism in Canada. It may come eventually, if only because of the failure of the present economic system to adapt to a rapidly changing world. That seems to be the view of economist Robert Heilbroner, who says flatly that “things cannot go on as they are.” Pointing to the destructive effects of modern technology, the continued waste and despoiling of resources and the environment, the growing resistance of Third World countries to being exploited by the western industrial nations, and the collapse of traditional economic theories, Heilbroner says there is no alternative to more extensive economic planning.

DiGiacomo manages to end his thesis on an optimistic note. He cites several advantages to the tripartite proposal made by the CLC. It is ideal, he says, for dealing with an economy plagued by resource scarcity, inflation, unemployment, and industrial discord. It would also, he claims, facilitate efforts to regain control

over industries and resources that are now foreign-owned. And in his view it would restore the leadership function to the federal level, where it must reside “if the country is to remain more than a collection of territorial units.”

Whether these advantages of tripartism will be perceived by a sufficient number of Canadians to produce the vast attitudinal and institutional changes that must precede its adoption is the paramount question that remains unanswered. Perhaps the single most crucial insight that has to be reached is the realization that the conflict that now actuates our economic system is not an end in itself — that its ultimate goal is to arrive at some method of distributing the national income. If agreement on a system of distribution can be achieved without conflict, then surely that more rational and peaceful (and presumably more equitable) system should not be prevented by those who have a vested interest in perpetuating conflict.

This thought has recently been expressed most eloquently by Prof. Blanpain, whose quote seems an appropriate one with which to end this dissertation:

“In our democratic and pluralistic societies, in which groups and individuals are allowed freedom to promote their own interests, conflict is an essential element in the decision-making process. *But the conflict is not a goal in itself; the goal is consensus.* Such a consensus is not free, it doesn't fall out of the blue sky. It is the result of continuous efforts....It is the overall result of a nation's desire to survive, and requires the total dedication of those involved, including continuous information, education and participation. Consensus is a *sine qua non* for the very survival of our democratic societies. No matter how difficult, one must try!” [9]

Occupational health and safety — the right to know

by Joan C. Brown

In the last few years several Commissions of Inquiry into occupational health and safety in Canada have found it necessary to make a declaration of the principle that the worker has a right to know the dangers to health in his or her place of work.

Thus, the Alberta Industrial Health and Safety Commission (the Gale Report) stated in 1975 that "The Commission believes that the worker has the right and the duty to be aware of all matters related to safety and health in the workplace." In the following year the Ontario Royal Commission on the Health and Safety of Workers in Mines (the Ham Report) declared that "workers have a right in natural justice to know about the risks and consequences of the risks they undertake at work." The Commission of Inquiry on Health and Safety in Elevators (the Finn Report) said of health and safety information that it held "strongly the view that workers should have full and timely disclosure on all matters affecting their interest." Similarly, the Comité d'étude sur la salubrité dans l'industrie de l'amiante, (the Beaudry Report) said that workers must be given the necessary tools to safeguard their health, and made a series of recommendations on the informational tools needed by the worker, beginning with "chaque travailleur devrait être informé de la nature de l'agent agresseur utilisé et de ses effets nocifs."

Public reaction to these statements is perhaps typified by a

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Globe and Mail editorial (August 25, 1976), which said it was "shocking to learn that for years this right has been overlooked or denied." Statements of principle and public shock may have some influence, but they do not necessarily produce substantial change. It is important, therefore, to examine the background and the implications of the principle of the right to know.

Stated at its simplest, the worker has a right to know at least as much as anyone else knows. Within a system which emphasizes employer responsibility for worker health and safety, one might expect that the first line of information would be from employers to workers or their unions.

However, the Beaudry report found that in the asbestos industry, where the potential danger to health has been known for many years, some employers played down the health risks involved or even denied any risks existed. Moreover, in evidence to the Ham inquiry, the United Steelworkers of America reported:

Workers have a right to know about the risks they undertake at work

In 1961 workers at the Milliken Mine in Elliot Lake proposed a 10-part safety clause. Point No. 8, for example, stated, "The results of radiation and dust control tests shall be reported to the union in writing at the end of every month." But it was not part of the final agreement. It was only in 1975 that Elliot Lake companies began giving monthly information on dust levels. Similar data on radiation is still not available to the union, despite all the evidence of what corporate indifference on occupational health has meant to uranium workers' lives.

Professor Ham, commenting on this evidence, said it "reflected a general lack of communication from management to workers on matters that are of legitimate concern to workers."

Reporting in 1974 on a series of investigations into accidents in which workers were killed or seriously injured, Quebec's Ministère du Travail et de la Main-d'oeuvre said that of the 262 victims only 33 per cent had been informed of the risks of the job. Moreover, this is not an isolated example. The labour department also found it necessary to instruct the manufacturers of plastics to inform their workers of the risks in the factory and inherent to the industry as a whole.

In British Columbia in 1970, the Department of Labour reported that manufacturers of toxic chemicals were not labelling their products to indicate possible

hazards. "In fact some manufacturers have hesitated to reveal to us, when requested, the chemical name and formula, when we know only the common name, or more often just the trade name." In 1975, the Ontario Federation of Labour was still protesting this practice. For example, in a Statement on Safety and Health it declared that workers in the rubber industry were only aware of the trade names of the chemicals they were handling, and unless they wrote to the manufacturer, the chemical properties (and their possible hazards to health) remained unknown.

The same pattern of non-communication can be found in the employer-sponsored industrial safety associations, which in many respects may be seen as examples of corporate responsibility for health and safety. The safety associations collect a good deal of information related to health and safety, undertake special studies and carry out accident investigations. Information of a general nature is often published, but information on individual firms will usually be reserved to management. The Mines Accident Prevention Association of Ontario has for many years undertaken semi-annual dust surveys for its member companies. Until the Ontario government required otherwise in 1974, reports on these surveys were seen as "a form of communication between the association and the member company" (Evidence by MAPAO to the Ham Inquiry) and therefore not for publication.

The Electrical Utilities Safety Association of Ontario describes in its handbook its accident investigation activities:

When the investigation is complete, a confidential report is sent to the management of the



" I THINK JOHNSON'S PRETTY WELL HAD IT AS SAFETY DIRECTOR "

firm where the accident occurred, outlining what went wrong and making necessary recommendations, so that similar occurrences may be prevented.

An impersonalized version of the report, as well as photographs taken during the investigation, is compiled and used at safety crew meetings and in our monthly safety literature.

...the right to know to be effectively realized requires that there exist systematic programs of monitoring, data collection and research

The situation has, in fact, been compounded by the tacit co-operation of government agencies in withholding information from the

workers and the unions. The Ham inquiry, in considering the problem of lung cancer among uranium miners, noted that the matter had been under investigation for a lengthy period, and that, among other organizations, three government authorities were actively involved, namely the Ministries of Natural Resources and Health and the Workmen's Compensation Board. Moreover, as the report points out:

At Commission hearings in Elliot Lake, union leaders alleged that workers whose lives have been and are at risk have not been kept informed about the developing situation in Ontario. The following words convey the intensity of feeling. "We have been led to believe through the years that the working environment in these mines was safe for us to work in. We have been deceived."

The Commission examined in depth the events briefly described above. During this period Mines Inspectors issued many letters of instruction to the mines to improve conditions and...levels of radiation were reduced. But neither the workers nor their representatives were advised about the emerging status of the problem of lung cancer.

The same report, drawing attention to studies undertaken by the Ministry of Health, commented: "It is regrettable that it has not been government policy to release these studies in full or in summary form upon their completion. Workers have an intrinsic right of access to information about the risks inherent in work."

Bruce Doern, writing in *Canadian Public Administration*, cites two further instances. The CNTU in Quebec complained in 1975 that a report on dust measurements taken by officials of the Ministry of Natural Resources which showed excessive exposure rates to asbestos fibres, was sent to the owners of the asbestos mine involved, but not to the unions or workers affected. Also in 1975 in Ontario, a report on a new asbestos company was prepared by a Health Ministry Inspector and sent to the Ministry of Natural Resources. The report was extremely critical of the company's operation from the health viewpoint. It was made available to the company but not to the union or workers concerned. A 1976 Health and Safety Conference was told that Ontario government inspectors had supplied the results of blood tests on employees exposed to lead to the employers, but not to the workers involved.

Similarly, the Finn report found that in British Columbia, Labour Canada inspectors submitted reports of their inspections and

According to Workers' Compensation Board reports about a million workers are injured each year on the job

directives to rectify health or safety hazards to the management only. The reason given for withholding the information from the union was "because it might promote labour strife." Finn, stating his view that workers had a right to information concerning their health and safety, said this was especially true of information "held by an agency whose main function and duty is to protect the worker."

The implementation of the principle of the right to know, however, does not only involve the full disclosure of existing information, though this in itself is crucial. To stop there implies that the worker has no right to demand that every reasonable effort be made to seek out the causes of occupational accidents and illness, as well as the means to prevent them. In fact, the right to know, to be effectively realized, requires that there exist systematic programs of monitoring, data collection and research aimed at protecting the workers' health, and that the information derived thereby be made fully and readily available.

According to Workers' Compensation Board reports, about a million workers are injured each year on the job. The sheer size and obviousness of this problem has demanded attention from Workers' Compensation Boards, Departments of Labour and Mines (or Natural Resources) and industrial safety associations. Indeed, the preoccupation with industrial accidents has, with few exceptions, led to a relative neglect of occupational illness.

Because of this emphasis on accident prevention, it might be expected that accident statistics and research would be reasonably well developed. However, this is far from the case. Statistics Canada has been trying since 1970 to develop a national system of reporting work injury statistics by Workers' Compensation Boards. The aim is both to improve the collection of data and to standardize classifications in order to improve comparability. While there have been considerable improvements, there are still serious problems in the use of workers' compensation data to plan programs of accident prevention or as a basis for accident research. As Jennie Smythe of the Saskatchewan Occupational Health and Safety Division commented in 1976:

"Accident research is not established as a field of study in this country"

The Division has available to it and has relied wholly to date on the accident and industrial disease data collected by the Workers' Compensation Board. Unfortunately these data relate more to the actuarial responsibilities of the Board than to the health and safety obligations of the Division...They do not permit calculation of accident rates by occupation or industry. They provide no basis for measuring or discerning trends or patterns in illness as related to occupations or industries, or for any epidemiological investigations.

A report prepared for the Gale Commission listed the data deficiencies for both accidents and occupational illness in Alberta. Included among those areas in which little or no information was currently available were: an inven-

tory of hazards in every workplace, research into both accident causes and the extent and cause of occupational disease in Alberta, the extent and nature of accident prevention education and its usefulness in reducing the number of accidents, and a knowledge of the health risk and accident experience of the agricultural sector of the work force.

Accident research is also poorly developed, not least because the research activities of both government and non-government agencies have been very limited. Indeed, their main emphasis has been on educational programs. Thus, although some work has been done on the use of statistical analysis to pinpoint accident causes, and on the development of new techniques and equipment that offer greater safety, the sum total has not been great in relation to the size of the problem. For example, Jean Surry's study of industrial accident research found that "accident research is not established as a field of study in this country. Spasmodically, there have been single research studies, but up to the present no permanent groups have been formed."

The Canada Safety Council has expressed similar concern. It reports that while quite substantial projects are financed from time to time, there is no stable funding to enable any organization to build up a body of research staff or plan programs of research on a longer-term basis.

The record of statistics and research on occupational illness is even more dismal. Dr. E. Somers of Health and Welfare Canada told a conference in 1976 that:

Canada has no uniform data base on which the extent of occupational disease can be assessed, or from which the effectiveness of

...the preoccupation with industrial accidents has, with few exceptions, led to a relative neglect of occupational illness

existing or new programs can be measured.

This lack of a good data base is, in fact, not surprising. A review of the Annual Reports (1970-76) of the relevant provincial and federal authorities (Workers' Compensation Boards, Departments of Labour, Health, Mines or Natural Resources) shows a very uneven pattern of activity. Many of them, including several with regulatory responsibilities, have given little or no attention to occupational illness. Monitoring programs, where they exist, have frequently been inadequate. The health departments' occupational health programs have almost without exception been under-funded and under-staffed, and although there has now been a significant upgrading of activity in several provinces, the result of past neglect is that we have no idea how much occupational illness there is in Canada, nor do we know how many dangerous substances are in daily use in industry and agriculture.

The level of research into occupational illness and its prevention has also come under criticism. The Ham Report said:

The Commission considers there to have been far too little research on the health and safety of workers in mines in Ontario. The excellent epidemiological studies by the Ministry of Health have been conducted in response to major emergent problems. The Occupational Health Protection Branch has not had the resources to carry out exploratory research designed to assess the likelihood of there being problems. Research

on the statistics of accidents, such as that conducted by the Commission, has been non-existent. It is imperative that this situation change.

Similarly, the Finn Report endorsed the views of one of its witnesses that "there is a crying need for medical research into the effects of all aspects of grain handling from the producer to the consumer." The Gale and Beaudry reports made similar comments.

...the result of past neglect is that we have no idea how much occupational illness there is in Canada, nor do we know how many dangerous substances are in daily use in industry and agriculture

A report published in 1977 by Health and Welfare Canada on the subject of occupational health and safety in Canada pointed out that there is no central research and information institute for occupational health and safety, and no clear focal point for establishing priorities or monitoring and co-ordinating national research efforts. Moreover, the report estimated that, including in-house and contract work, less than \$1 million was awarded by the federal government for occupational health and safety research in 1975-76. Provincial government, compensation board and private institution research work and/or funding was reported to be at a similarly low level.

If the principle of the right to know is not to be a mockery, substantial change is needed.

It would be optimistic to expect voluntary compliance with the principle from all employers. Some no doubt have always been open. Some will be influenced by public

opinion to become more so. But the pull to secrecy is strong. The view that health and safety provisions are part of the management prerogative dies hard. Perhaps of more importance, however, is the strategic nature of much of the information. The composition of chemical substances, for example, is regarded as a trade secret, to be protected from competitors. Trade secrets are also involved where the safety processes are closely related to the production technology, so that to reveal one would be to reveal the other. Companies who do not wish to spend money on improving health and safety will not be over ready to reveal the need to do so. Further, as long as occupational health and safety is regarded as a suitable issue for collective bargaining rather than the *right* of every worker, then information sharing will be seen as weakening the management position at the bargaining table.

Governments appear to be receptive to the idea that workers have a right to know what hazards they face at work. However, habits of secrecy are still deeply ingrained.

To bring about change requires a serious commitment at the political level. It is not clear that such a commitment exists...

Moreover, the worker's right to know will no doubt continue to be balanced against the political and economic desirability of keeping the companies "on side." Further, a whole network of regulatory and enforcement arrangements have been built around a direct relationship between departmental staff and management which excludes unions and workers. To bring about change requires a serious commitment at the political level.

It is not clear that such a commitment exists in every province and in all sectors of the federal government, and continued pressure on governments will be necessary.

As far as the mounting of a large data collection and research program is concerned, such projects will not only take time to develop, but will also need very large funding allocations, money which is not readily forthcoming when budget restrictions are the order of the day.

Some steps have been taken or are being proposed to increase the knowledge available to workers. The most developed programs can be found in Saskatchewan. The 1972 and 1977 Occupational Health and Safety Acts, for example, require that in every place of employment the employer establish an Occupational Health Committee, half of whose members must be workers. The committees have also a legislated responsibility to "participate in the identification and control of safety hazards within the place of employment." Moreover, inspectors of the Division of Occupational Health and Safety report their inspection findings to the committee. In addition, the employer is not only required (by the 1977 Act) to co-operate and consult with the committee, but following an inspection, must also report to the committee the steps being taken to set right any contravention of safety regulations which have been identified. The Division is providing the committees with a flow of information and assisting them to develop their own hazard monitoring programs.

The right to know is also being built into regulations. For example, the 1975 Asbestos regulations require that the employer warn workers engaged in an asbestos process or otherwise exposed to



asbestos dust, of the dangers of asbestos, the possible health outcome, and also of the fact that smoking increases the risk of injury to health. The Division's research section is not so far undertaking extensive new research, but it is identifying and disseminating existing research information.

Alberta, following the Gale Report, has also adopted the joint committee approach to increasing the involvement of workers in identifying and monitoring hazards in the workplace. Moreover, according to the Minister of Labour, it plans new data gathering and statistical services as well as a "strong research capability." Provincial legislation in 1976 in Manitoba, New Brunswick and Ontario has followed similar lines, though it is too early to say how serious the commitment to the right to know will be.

At the federal level, Labour Canada is in the process of establishing an Occupational Health and Safety Centre with information resource and exchange functions. According to Labour Minister John

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Munro, it will have "no mandate to consolidate existing occupational safety and health research activities across the country, but rather to serve as a pivotal point through which agencies and institutions active in this field could co-ordinate activities and exchange information." It is still too soon to judge the likely value of the centre.

The Science Council of Canada (which regards the proposed federal centre as having too narrow a mandate) recommends in its report "Policies and Poisons," the establishment of a National Advisory Council on Occupational and Environmental Health, many of whose terms of reference would certainly be relevant to the right to

know. It would identify hazards, assess risks, publish recommended standards for maximum permissible exposure levels, identify key areas for research, provide materials to workers and employers on the nature of work hazards and other similar activities designed to find out, and publish data on occupational health and safety. The Council also recommends that once a hazardous substance is identified, any industry handling it should "be required to ensure adequate and effective communication to their work force..." about the dangers involved.

In general, however, Canada has a long way to go before the right to know is more than stirring words in a commission report. While a number of steps have been taken (of which only a few examples have been given here), many are still only at the proposal stage, or are at such an early stage of development that their value is not yet clear. Moreover, not all provinces fully recognize the right to know as a key issue. A start has been made, but there is a long hard battle yet to be fought. [g]

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Recent developments in the international work environment

by Eric Trist

A number of pioneer projects around the world have shown that re-designing work and changing organizational values and climate may create conditions under which high levels of job satisfaction and high levels of performance can be achieved simultaneously. This, of course, does not always happen; for one reason or another, there have been quite a number of unsuccessful projects. There are, however, few instances where productivity has actually declined when the quality of worklife (QWL) has been improved. Indeed, there is evidence that productivity in many of its aspects may in fact decrease when QWL remains low, a trend that would appear to be increasing in the present turbulent environment.

Let us consider the extent of management, union and government involvement in QWL in various countries, beginning with the United States. The U.S. has been slower than some European nations, such as Norway, Sweden and Holland, in recognizing worker alienation as a national problem and in linking it to diminishing performance. In the last five years, however, a considerable change has taken place in the U.S. For example, in December 1972, the M.I.T. Press published the Report of a Special Task Force, which had been prepared for submission to the Secretary of the Department of Health, Education and Welfare. Entitled, *Work in America*, it became a best seller. Following this, the United Automobile Workers made proposals in the fall of 1973 concerning the humaniza-

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tion of work in negotiating new contracts with Chrysler, General Motors and Ford — the first time such proposals had featured in the bargaining program of a major American trade union.

Also in 1973, a Congressional Commission on Productivity added the words "and Work Quality" to its title, evincing its recognition of the link, and launched a program, since continued under the American Center for Work Quality, to bring into being a number of demonstration projects involving participation and work restructuring in key organizations in both private and public sectors. An important precondition of these projects was that they should be jointly agreed upon and steered by the management and trade unions concerned, and that any productivity gains be shared. A special feature was the independent evaluation of all projects by a research team from the Institute for Social Research at the University of Michigan.

At the state level, Work Quality Centers have made a struggling

There are...few instances where productivity has actually declined when the quality of worklife has been improved

appearance in Massachusetts and Ohio, the latter being the first in the field.

At the community level, an initiative was taken five years ago by the City of Jamestown, a small manufacturing town in upper New York State, where a Jamestown Area Labor-Management Committee was formed. Originally the intention was merely to improve industrial relations, but more recently attempts have been made to develop QWL projects in member firms, which include all the main plants in the greater urban area as well as their respective union locals. As a result of QWL innovations, industrial decline has been arrested. Moreover, spurred by these results, several other small cities have since followed suit and recently one or two larger cities in the "declining northeast" have also evinced interest. Indeed the latter developments have drawn the U.S. Conference of Mayors and the National League of Cities into the field of community-based labour-management co-operation through the use of QWL.

Meanwhile, in private industry the number of large firms undertaking projects aimed at improving the quality of working life has been increasing, such that these projects now number well over 100. (A small number, however, in relation to industry at large). Starting from hole-in-the-corner experiments some of these projects have now come to involve the total conversion of conventional organizations to a plant-wide

form of innovative work and organizational design, based upon the principles of the new work ethic and QWL.

Until the last three or four years most American QWL endeavours were confined to non-union plants, where they were easier to pursue in view of union suspicion. In some cases the management motive was clearly to keep the unions out. This, however, is becoming a more difficult posture now that some parts of the American labour movement are showing increasing interest. Indeed, some unions are beginning to be concerned lest all QWL initiatives remain in the hands of management. Others are worrying about declining membership, and are thus looking for new issues to engage their members and attract recruits from the oncoming generations of the workforce, little influenced by the Protestant work ethic or memories of the Great Depression.

Some unions are beginning to be concerned lest all QWL initiatives remain in the hands of management

Another characteristic of early American endeavours has been the tendency of the firms concerned to keep the results of their innovative experiments to themselves. However, a sentiment is now beginning to arise that views the methods used and the experience gained in QWL experiments as knowledge to be shared in the common interest. The forming of the Work in America Institute, for example, by Jerome Rosow, formerly of Exxon, represents an initiative from the private sector to just this end.

As regards the universities, the first QWL research centre was

In Sweden...interest has now turned from manufacturing to white-collar service industries

established at UCLA by Dr. Louis Davis, and there are now programs at several other North American universities, all of which emphasize action research and outreach training and development work.

Turning to Europe, the major pioneer endeavours involving leading firms in Norway such as Norskhydro, and in Sweden such as Volvo and Saab Scania are so well known that they need not be dwelt on. Less widely known, however, are the recent developments that have been centred on the Norwegian shipping industry, which is vital to the country's economy, and which have sought to involve all the firms and unions.

In Sweden, where some 1,000 work restructuring projects, some rudimentary and some advanced, are known to the employer and trade union confederations, interest has now turned from manufacturing to white-collar service industries. Thus, a comprehensive project has for some time been proceeding at all levels in Skandia, the largest Swedish insurance company, while a similar project has been proceeding in one of the main Norwegian banks. Also worthy of note is the national agency to focus on the white-collar workers that has been established in France, but French bureaucracy is likely to be difficult to unfreeze.

Though not widely appreciated, many of the original experiments which sought to effect systemic change in work organization were in fact undertaken in Britain in the early '50s, and it was these that affected the wide development in Norway in the early '60s, which in turn influenced later large-scale

projects. The original promise of these British developments, however, has not been well sustained, despite major undertakings in the later '60s by such leading firms as Shell and I.C.I. Though a tripartite committee involving government, employers and trade unions has now been formed and a Work Research Unit established in the Department of Employment, the program has remained relatively restricted. Moreover, mutual distrust between management and unions over QWL is currently running at a high level, a countervailing trend that is apparent also in several other European countries — more so even than in the United States, where most unions remain suspicious of QWL.

While quite a number of large scale QWL projects are proceeding in Holland, concrete activity is only very recent in West Germany despite its tradition of co-determination. Moreover, despite the federal government's recent investment of several million marks in a comprehensive program of work improvement, one observer has pointed to the fact that interest is now centred on the new works councils below board level, and on ergonomics, rather than on work restructuring which allows greater participation at shop-floor level. Indeed, this type of participation — and the consequent liberation of management for wider tasks — may prove difficult to secure, given the legalistic authoritarianism in the German character.

In Australia, the Jackson Committee on the Future of Australian Manufacturing Industry has emphasized the important role of QWL projects as a means of countervailing economic decline, while in the public sector programs have been set up by both the South Australian and New South Wales governments. However, the Australian experience is

also of interest in relation to the potential role of multinationals in diffusing the new work and organizational culture of QWL. In particular, developments that occur in countries where favourable conditions exist could potentially be taken up by affiliates elsewhere, as indeed, has been the case in Australia, where a number of multinational affiliates, including Philips, already have undertaken substantial QWL projects.

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As far as Canada is concerned, several leading firms, including Shell and Alcan, have already developed substantial programs in more than one province. Shell, for example, has involved the Oil, Chemical and Atomic Workers in bringing into being a new chemical plant in Western Ontario; Steinberg also has a large program, again involving the unions, while Air Canada has some promising developments, as have one or two of the resource industry companies.

To sum up, advanced industrial countries such as those of Scandinavia, with small but well-educated populations, established traditions of democratic government and basically stable industrial relations, have led the way in enhancing the quality of life in the work place and in the design of the more democratic type of organization this requires. This capability may be not unrelated to the closeness of overlap in the networks formed by key individuals, in management, unions and government, in such countries. This closeness allows the value-

The North American pattern is distinguished by continued opposition to representative democracy by labour and management alike

base to change more rapidly once a development begins to take place which is experienced as congruent with a social future that is commonly envisaged and desired. Moreover, these countries have become industrialized later, more humanely and with less conflict, than certain older and larger European countries.

What has happened in Norway, Sweden and Holland, echoed as it is in Australia (and let us hope will be echoed in both English and French speaking Canada) is to be contrasted with what has so far happened in France, Germany and Britain where the change-over is proving much more difficult to initiate and sustain. Similarly with the United States, despite the many developments currently under way.

This divergent experience with respect to the development of QWL or *work-linked democracy*, also finds interesting parallels in that relating to the other forms of industrial democracy such as those of *representative democracy* and *interest group democracy* (See Table I). Briefly, the aim of *representative democracy* is to secure a means whereby those at the lower levels of an organization may influence policies decided at higher levels and is to be distinguished from *work-linked democracy*, which is concerned with the participation of those directly involved in decisions about how work shall be done at their own level, whatever this may be. It is this aspect with which QWL is most closely associated, and which permits the de-bureaucra-

tization of organizations (again at all levels). It might well be called organizational democracy.

Both these forms are further to be distinguished from collective bargaining. Collective bargaining may be construed as *interest group democracy*, the means through which organized labour gains power to take an independent role vis-à-vis the interests of management.

Representative, work-linked and interest group democracy can exist independently or together, in consonance or in contradiction in any given society.

Historically, interest group democracy appeared first, representative democracy next and work-linked democracy last. Commonly, the term industrial democracy is used to refer to any, or any combination, of the three without further specification, which causes confusion.

With the aid of Table 2, let us look at the score among the three forms in Western nations on a 5 point scale (0-4) and the consonance or dissonance in their relations between these forms.

The first group displays the Scandinavian pattern towards which Holland seems to be moving. Strong independent trade unions have been long established. Against this background recent legislation has brought workers' representatives to boards though they are not as regards strength in a position of equality. The work-linked form is becoming widely diffused, and in Norway jobs with high QWL have been legally recognized as a social right. The three forms are developing in consonance with each other.

There is no consistent pattern in the larger European countries. The

Table 1
FORMS OF INDUSTRIAL DEMOCRACY

Representative	Workers on Boards Works Councils
Work-Linked	Participant Design of the Work Place
Interest Group	Collective Bargaining Binding Contracts

Table 2
**LEVELS OF INDUSTRIAL DEMOCRACY
IN SELECTED WESTERN COUNTRIES**

Country	IG	R	WL
Norway	4	3-4	2-3
Sweden	4	3-4	2-3
Holland	3	1-?	1-2
Germany	2	4	0-1
France	2	0-?	0+
U.K.	4	0-?	0-1
U.S.	2-3	0	1
Canada	2-3	0	0-1
Australia	2-3	0+	1-2
Yugoslavia	0	4	0-?

strong tradition of representative democracy in West Germany is associated with relatively weak trade unions and only a recent initial exploration of the work-linked form has taken place. In France, too, unions are relatively weak, with varying political affiliation. The declaration of intent regarding workers on boards leaves implementation largely to the future; similarly with direct participation. Britain, with its traditionally strong unions appears to be in transition regarding representative industrial democracy, in which neither workers nor management evinced any interest until a year or two ago. When the outcome of the current political debate has become clearer there may well be some forward movement in the work-linked field, as the unions may become more confident about co-operation.

The North American pattern is

distinguished by continued opposition to representative democracy by labour and management alike. Though collective bargaining is sophisticated, a large proportion of the work force remains unorganized. This makes most unions suspicious of co-operation with


Small beginnings have now been made in India, and fragile stirrings may be found in Mexico and Peru

management in the work-linked form. As mentioned earlier, however, some progress has been made in the United States. Australia resembles the North American pattern but has progressed further in the area of work-linked democracy.

Yugoslavia is mentioned to show a pattern in which representative

democracy exists without free collective bargaining and until very recently without even a trace of the work-linked form. In the other countries of Eastern Europe it is doubtful if any form of industrial democracy can be said to exist, given the overall totalitarian framework. Yet some signs are now appearing of a realization that their poor productivity record may not be unconnected with the poor quality of life in the socialist workplace, where the reign of Frederick Taylor and his management science successors is yet to be challenged. From a distance the Chinese Communes look promising but remain enigmatic.

As regards the Third World, small beginnings have now been made in India and fragile stirrings may be found in Mexico and Peru. There is no imperative reason why the Third World should seek to industrialize on models based on Max Weber and Frederick Taylor from which the West is beginning to depart.

Let us conclude these country comparisons by pausing to mention the emergence and spread of the Quality Control circles in Japan. This development, now very extensive, involving 800,000 circles and 8,000,000 workers, has proceeded on very different lines and against a very different cultural background from any of the developments in Europe and North America. But its existence, in addition to the latter, shows that a new concept of work, whatever form it may take, is emerging to some degree in all advanced industrial countries, though it is still a minority trend, except in Scandinavia. 

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Discrimination in fringe benefits

by Sylvia M. Gelber

It is an unfortunate fact that fringe benefits are interpreted to mean a variety of things depending to a great extent upon the philosophy of those employing the term; and the purpose for which the term is being used. In a study carried out some years ago for the Organization for Economic Co-Operation and Development (OECD), fringe benefits were described as being payments, either current or deferred, which while arising out of the employment performance, are not made directly because of it.

Speaking generally, fringe benefits are viewed as a part of an employee's remuneration. "Remuneration," in its turn, is defined in the Equal Remuneration Convention of the International Labour Organization, so as to include not only the ordinary basic wage or salary, but also "any additional emoluments whatsoever payable directly or indirectly, whether in cash or in kind, by the employer to the worker and arising out of the worker's employment." Some question had been raised at the International Labour Conference two years ago as to whether this definition was intended to include such fringe benefits as pensions and other forms of insurance; it was confirmed that these would be viewed as coming within the definition of remuneration and would, therefore, be subject to the principle of equality.

In 1972, Canada, with the concurrence of the provinces, ratified this Convention, committing all Canadian jurisdictions to the principle of non-discrimination in

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remuneration on grounds of sex, presumably including fringe benefits. As long ago as 1964, Canada had ratified another ILO Convention, the Discrimination (Employment and Occupation) Convention, which not only prohibits discrimination in remuneration, but extends the prohibition of discrimination generally to all "terms and conditions" of employment. As is customary, discrimination is prohibited on a number of grounds, including grounds of sex.

Thus, if there were any doubt as to whether fringe benefits were in fact a part of remuneration, as defined in the Equal Remuneration Convention, then discrimination would nevertheless be prohibited on the grounds that fringe benefits are undoubtedly a "term or condition" of employment as incorporated in the Discrimination (Employment and Occupation) Convention. It would seem, therefore, that regardless of which of Canada's two binding commitments under international labour conventions were viewed to be relevant, discrimination in fringe benefits on grounds of sex in all circumstances would seem to have been prohibited.

In spite of our international commitments, however, some provincial statutes appear to permit a certain degree of discrimination in employment on grounds of sex at least insofar as

named fringe benefits are concerned. For example, under Regulations made pursuant to the Ontario Employment Standards Act, discrimination on grounds of sex and marital status is permitted in pension plans, life insurance, disability insurance and health insurance in certain circumstances. Furthermore, the definition of wages in the body of the Act itself differentiates between basic pay on the one hand and what it describes as "benefit plans" on the other, a concept which does not appear to be consistent with the definition of remuneration contained in the ILO Equal Remuneration Convention.

Similarly, the Quebec Charter of Human Rights and Freedoms permits, on grounds of sex, exclusions from the general principle that employers are required to grant equal salary or wages without discrimination for equivalent work at the same place of employment. These exclusions relate to pension plans, retirement plans, life insurance plans or any other plan or scheme of social benefits. In this regard the Quebec law appears to have been influenced by that of Ontario, since these are the only two provinces which specifically permit such discrimination in certain fringe benefits on grounds of sex. The legislation in most other provinces makes no specific mention either of fringe benefits generally or pension rights or insurance benefits in particular. The exception of this general rule is in the case of Newfoundland legislation, which specifically states that a female employee shall have pension rights and insurance benefits

equal to those applicable to the male.

The tradition of discriminating on grounds of sex in pension plans, is an old one rooted in a society which has changed almost beyond recognition. When pension schemes were first established, both in the public and private sector, it was assumed that married women were supported by their men-folk; and that their sojourn in the workplace was transitory. Furthermore, it was assumed that a single woman would inevitably leave her employment at marriage. Equally it was assumed that women, being weak physically, would be worn out earlier than men and should, therefore, retire earlier.

For all of these reasons it was not unusual to set a so-called "normal" retirement age for women some five years younger than that set for men. It was also not unusual to deny women the right to enter into pension plans until they had completed a longer period of employment than that required for men, a condition deemed necessary to test their

long-term intentions with regard to labour force attachment. Thus, a working woman would frequently be eligible for participation in a plan only after five years' employment, while men in the same place of employment would be entitled to enter the plan after one year of employment.

Taking into account the two circumstances, the first at the beginning of employment and the second on the termination of employment, a woman worker was denied as much as ten years' participation in a pension plan as compared to a male worker in the same category. These ten years naturally affected the size of the pension earned, since the rate of the pension earned depended on the number of years of participation.

In recent years, due in no small part to the advent of the Canada Pension Plan and the Quebec Pension Plan which no longer contain clauses that discriminate on grounds of sex, private insurance plans are being revised to do away with some of the previous discriminatory clauses, at

least insofar as the period of entitlement is concerned; furthermore the private insurers have discovered that administrative costs are diminished when differentials in entitlement are eliminated.

A favourite argument against providing pension rights for women on the same basis as that provided for men, is that the cost of pensions for women is higher because of the longer life-expectancy of women. It is true that the life-tables during the last three or four decades have shown a widening gap between the life expectancy of the respective sexes, women outliving men by several years at the present time.

This defence of permitting pension plans to discriminate against women because of the cost of pensions, raises a question as to whether this is the only group in society which shows a differential in the average expectation of life, for it is the only group which now suffers discrimination on that basis. The life expectancy of certain racial groups in our society is notoriously different from that of the predominant racial group. Yet society today does not tolerate discrimination on grounds of race in pension plans because of such differences. Unfortunately, Canadian public policy is still such as to permit discrimination in some instances on grounds of sex.

Quite apart from those statutes which openly permit exceptions to be made with regard to discrimination on grounds of sex insofar as pension and insurance plans are concerned, a more subtle method of permitting discrimination has recently appeared in the law. On the surface the law does not permit an exception; but the same law may permit differences in pension plans between different occupational groups in

Toronto Star Syndicate



"I don't want equality with men! Why should I lower my standards?"

the same establishment. For example, an employer may provide a pension plan for employees involved in a skilled mechanical trade while providing a different plan for workers in administrative support positions. The significance of this permissible differential on the basis of occupation, only becomes obvious when it is realized that women are still segregated in the work force within certain specified occupations, such as administrative support. Thus, a less valuable pension plan may be established for the workers in a "female" occupation than that provided for the workers in a "male" occupation in the same undertaking. This adds up to discrimination on grounds of sex, although the law itself prohibits such discrimination.

The pattern of women's employment in the labour force has serious effects on certain types of fringe benefits insofar as these relate to length of service. For example, the size of the pension to which an employee will ultimately be entitled in accordance with plans to which the employer makes contributions, depends on a specified unbroken period of service. As child-bearer, the period of a woman's employment may be interrupted due to this exigency, and in consequence, the woman's pension will be diminished due to a broken period of service in the labour force.

Another feature of the woman's employment pattern which adversely affects the fringe benefits to which she would otherwise be entitled flows from her role as housewife and mother, frequently necessitating part-time employment in the labour force. A substantially larger portion of the female labour force works part-time than the male labour force.


Fringe benefits over and above

those provided under public programs, are generally made available as a result of collective bargaining. Through this procedure, employers frequently purchase insurance on behalf of their employees; frequently too they make contributions even in the case of such public programs as health insurance. Collective bargaining, of course, affects only that portion of the labour force which is organized.

Unfortunately, the bulk of the female labour force is not included among these workers, only about one-quarter of the female labour force being organized at the present time. For this reason, fringe benefits that flow from collective bargaining, apply for the most part to workers in the organized sector where women workers are not well represented.

The unsatisfactory situation that prevails with regard to pensions as they affect women workers, is paralleled in other types of fringe benefits as, for example, in the case of sickness and disability insurance. When an employer supplements through the private sector, the modest disability insurance coverage provided through the public program of unemployment insurance, then the rates which are levied for women workers exceed substantially those which have to be paid for men. Consequently, employers of women are less inclined to provide this type of insurance coverage. Private insurers have so far not been able to substantiate their claim that the morbidity experience of women, on which they base their rates, is considerably higher than that of men. The only data they have been able to provide relate to the small covered population amounting to not more than 10 per cent of their total, obviously a privileged group capable of meeting the high premiums charged by the industry.

There is one other area where discrimination persists in a public program in spite of the fact that the law under which it operates appears to be free of discriminatory clauses. This paradox stems from the fact that the law is administered in accordance with administrative procedures. Thus, for example, although the Unemployment Insurance Act shows no evidence of discriminatory clauses, the administrative procedures affecting women in some instances are in fact discriminatory. Persons seeking to establish entitlement to benefits are, of course, required to declare themselves to be available for employment. Under the pretext of endeavouring to establish such entitlement, the Unemployment Insurance Commission requires that women "may have to indicate that you can make child care arrangements." No man is ever required to prove his availability for work on the basis of family responsibilities, nor should he have to, even if his wife is confined to an institution and the children are his lone responsibility.

In summing up the situation, it is clear that in some instances in the public sector and in most instances in the private sector, fringe benefits affect women adversely in comparison with their male counterparts. Although there have been considerable improvements in recent years, particularly in the public sector, there is still a wide gap in the value of fringe benefits made available to men and women workers respectively. This type of discrimination is being perpetuated even within laws which themselves proclaim the principle of non-discrimination. 

The foregoing was presented to a conference on industrial relations sponsored by the University of Montreal, November 1977.

Worker self-management in Yugoslavia

by Robert J. Davies

As the debate on industrial democracy has gathered momentum in the West an increasing amount of attention has come to be directed toward the Yugoslav experience with the system of worker self-management. Yet it has been observed that this attention, amounting in some instances almost to an obsession, has been quite out of proportion either to the size of the country or to its economic and political significance. In practice, however, the reasons for this relative fixation for the subject of industrial democracy in Yugoslavia are not too hard to find. Heightened concern over the level of industrial unrest, that has recently become the hallmark of labour management relations in many western nations, has provided a powerful stimulus to a critical re-examination of the nature of the work environment that characterizes the modern enterprise, as well as of the consequences of its hierarchical organizational structure. From this re-examination has emerged a diagnosis of industrial conflict that places considerable stress on factors such as alienation caused by worker resentment over subjection to hierarchical authority, and the absence of any real possibility for adequate self-expression in work or scope for effective participation in the basic decisions affecting working life.

Industrial democracy (a notoriously vague term) is seen to offer one potential, and attractive, palliative to these problems. Consequently, recent years have witnessed a bewildering array of attempts, in a number of countries, to involve

workers in the decision-making process within the enterprise. These attempts have ranged from such essentially cosmetic devices as participatory supervision and the limited disclosure of information, through to such radical developments as complete worker control, or self-management, involving a fundamental restructuring of the organization of industry. It is in the latter connection that widespread interest has been generated in the experience of Yugoslavia, for only in that country has a deliberate, large scale, and on-going attempt been made to transfer the ideas of full worker self-management from the sphere of theory to that of social action. Both its achievements and failures, as well as its responses to emerging problems, are therefore of relevance; not merely for those who are interested in worker control and self-management per se, but also for those who are contemplating embarking on a process of industrial democratization at a less radical level.

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in management. Self-management as practised in Yugoslavia cannot be reduced to the level of a simple reform in the sphere of industrial relations. Rather, the system represents an attempt to achieve a fundamental transformation of society. An attempt, in short, to introduce democratic principles into all spheres of human activity, whether economic, social or political. Hence self-management has not merely been confined to the work place; indeed the ultimate objective is for it to, "transcend the limits of the factory or enterprise and become a basic principle of all socio-economic relations as well as of the whole political system of the country." Through this process it is hoped to eliminate the alienation that Marx highlighted as resulting from the dichotomy, created under capitalism, between the experience of the individual as worker on the one hand, and as citizen on the other. Moreover, the appropriate path toward the achievement of this objective is seen to be the full effective *decentralization* of the decision-making process, leading eventually to Marx's vision of a society of, "direct producers, who, through free association, themselves make decisions regarding production and distribution, and in effect run their own lives and their own future."

At the very heart of the Yugoslav system lies the principle of the social ownership and social management of the means of production which provide the material basis of the economic organization of society. The

system is thus characterized by democracy of both ownership and control. However, the nature of this "social" ownership should be clearly distinguished both from the system of public ownership as practised in the mixed economies of the West, whereby certain industries are nominally owned and controlled by the state (of which Air Canada and Canadian National are appropriate examples), as well as from the system of "State Capitalism" that exists in much of the Eastern block, and notably in the U.S.S.R.

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It is indeed true that in Yugoslavia, as in other socialist countries, the initial process of the abolition of private ownership was effected through nationalization, a process that inevitably resulted in the concentration of power and control in the hands of state bureaucracies rather than in the hands of the workers. Thus by 1946, within a year of their assuming power, the Yugoslav communists had nationalized approximately 82 per cent of the country's industry. However, this trend toward increasing centralization and bureaucratization soon came to be seen as standing in fundamental contradiction to the ultimate Marxist objective of the withering away of the state, for the process of nationalization actually served to enhance state power rather than eliminate it. Thus the shift to self-management which began in 1950 may be viewed both as a reaction to this process, and as an attempt to develop a genuinely Marxist alternative to the sternly centralized form of communism that had emerged in

Stalinist Russia. Indeed, not surprisingly, the first steps toward the development of self-management coincided with legislative measures to actively restrict state ownership. Thus in the, "Law on the Management of State Economic Enterprises and Higher Forms of Economic Association by the Workers Collective", the legislative enactment that provided the legal basis for the formation of the workers' councils, direct state involvement in the management of the economy by this means was explicitly restricted.

While one of the basic aims of the self-management system is the elimination of worker alienation via the direct involvement of all workers in the management of all productive activities, great stress is also placed upon the need to promote the optimal use of the socially owned means of production in a manner consistent with the achievement of continuing increases in productivity. Moreover, to achieve these aims, a system of industrial organization has been adopted that contrasts markedly with the hierarchical structure characteristic of the West. Under the latter system, status, prestige, rewards and power typically increase as one ascends the organizational pyramid, with supreme decision-making authority ultimately vested in the senior management of the enterprise. Under the Yugoslav system of decentralized self-management, on the other hand, supreme authority rests with the workers themselves, in the form of the workers' collective or general assembly. This body has final responsibility for all important decisions relating to matters such as investment, working conditions, income distribution and wage fixing. In all but the smallest enterprises, however, the workers elect a workers' council which is

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charged with the performance of a variety of routine functions, including the day to day administration of work and business affairs.

Election to the workers' council is for a period of two years, with half the membership elected every year — a measure designed in part, at least, to enhance the responsiveness and accountability of the elected representatives. Indeed, these aims are further promoted under the system by the requirement that council members, both individually and collectively, be potentially removable from office at any time. Moreover, an additional representative safeguard is provided by the requirement that the composition of the workers' council be broadly approximate to the ratio between production workers and other employees.

The workers' council in turn elects a management board, which acts as its executive agent in the day to day running of the enterprise. In addition, a series of special committees may be appointed to act in an advisory capacity, or in order to undertake certain delegated powers of decision-making with regard to such matters as specific commercial or financial dealings, discipline, training, and safety and health. Moreover, the council, in consultation with the union, also appoints a manager and executives who, in practice, are frequently able to exercise significant control over a variety of management decisions, but whose

primary function is supposedly confined to providing the workers with the information they require to make decisions, and to facilitating the implementation of these decisions. Neither the manager nor the executives have the right to reprimand or dismiss workers who disobey their instructions. Such matters must instead be reported to a disciplinary committee whose decision may be appealed to the works council, or in some cases, to an external judicial body established under the constitution.

As with the representatives on the workers' council, members of the management board, as well as the manager and his executives, are all subject to recall or dismissal at any time. Moreover, no one can be elected more than twice in succession to the board — a measure designed to combat the evolution of a class of professional representatives whose power could easily come to limit the influence of the ordinary worker. Indeed, also of relevance in this connection is the fact that senior management are excluded from election to either the workers' council or to the board in order to prevent their 'technocratic' or 'professional' domination of these bodies.

One fairly recent development in the organizational structure of the Yugoslav system has been the emergence within the individual enterprise of the working unit, or basic organization of associated labour (B.O.A.L.). The latter represents the smallest unit capable of producing a recognizable saleable product from its own (socially owned) technological means, and may correspond to an individual department within an enterprise, or in the case of very large firms, even to an entire plant. The recent emergence of these units effectively emphasizes that the self-management system as

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described is in no sense a static one. Indeed, an on-going commitment to the decentralization of management and decision making, in both the economic and political sphere, is viewed as an essential safeguard to the basic democratic rights of workers. Thus, increasingly, larger enterprises are being divided up into constituent working units, a development aimed at significantly enhancing the scope for *direct* decision making by workers within the enterprise, and thereby overcoming the problems of worker apathy and alienation that still seem to accompany indirect or representative participation. This, however, is still only a realistic possibility in the smallest working units where it is more likely to be feasible for decisions to be taken directly by the entire membership (usually through a simple majority vote of all workers or, in the case of vital decisions, a two-thirds majority). In the case of the larger working units, however, direct decision making is clearly impractical and is therefore largely confined to occasional referenda, leaving most detailed day-to-day decisions to the elected workers' council.

Relations between the various working units within the enterprise or "working organization" as it is now termed, are conducted on the basis of self-management agreements which involve contracts and payments for services rendered, or goods provided — hence the requirement that the unit produce a recognizable output. Should a dispute arise between working units, this is dealt with by an

arbitration commission appointed by the central workers' council of the enterprise, which generally consists of equal numbers of representatives from the constituent working units. Increasingly, however, the latter bodies, which are essentially a legacy from earlier forms of self-management, are being replaced by assemblies of delegates drawn from each working unit.

In practice, of course, a significant amount of organization is performed at the enterprise level, thus providing the central council or assembly with a key role. In the discharge of this role, however, it must seek to proceed by unanimous agreement, since a majority vote cannot be used to bind a dissenting working unit to a course it considers prejudicial to its interests.

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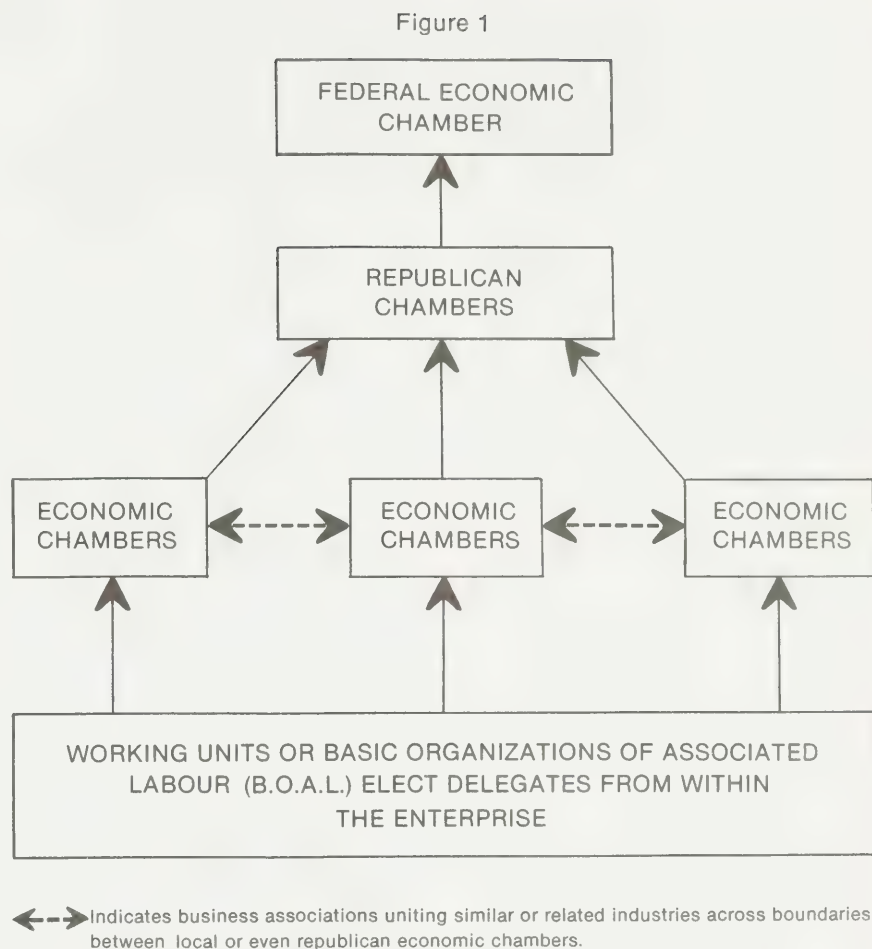
As far as the relations between enterprises are concerned, it is clear that despite the great emphasis that is placed upon decentralization, individual enterprises cannot perform effectively as wholly self-sufficient entities. Rather they must be coordinated and integrated into a coherent overall economic structure. However, it is important, given the basic aims of the Yugoslav system, that the forms of coordination and integration chosen should not create centripetal tendencies of a magnitude sufficient to detract from the independent exercise of influence

by the workers' collectivity within the enterprise.

In practice, two forms of coordination are employed. At the micro level reliance is placed upon the market mechanism, while at the macro level overall economic objectives are met by a system of economic planning, involving an intricate network of enterprise and community plans, as well as some indicative planning by both republican and federal agencies.

Figure 1 presents a schematic outline of the structure of the planning system. The various B.O.A.L.'s elect delegates from within the enterprise to local economic chambers. These chambers, which generally cover an area equivalent to a large town, then send representatives to republican chambers, which in turn elect representatives to the federal economic chamber. Despite this pyramidic structure, supreme authority remains (in principle at least) with the assembly of workers within each B.O.A.L. who instruct their delegates rather than receiving instructions from them.

The reliance placed on the market mechanism to promote effective coordination between enterprises at the micro level stands in marked contrast to the almost exclusive emphasis on centralized state planning characteristic of most socialist countries. In Yugoslavia, however, as the self-management system has evolved, a constant effort has been made to resist any emergent tendency toward detailed coordination via centralized administration in favour of decentralized market coordination. Under the latter system, it is considered that the various self-managing units are more likely to be free from the arbitrary exercise of power by external agencies who may seek to



distort the system for their own ends. Furthermore, the process of earning income through market exchange, rather than through administrative distribution, is considered to promote a greater stimulus toward economic development and increased worker productivity, which potentially serves both the personal and social interests of workers.

Problems have arisen, however, as a direct result of this reliance on the market, and its implied emphasis on purely economic criteria for allocating resources. For while it may have served the interests of efficiency, it has also been associated with a variety of con-

licts over the social consequences of decisions such as plant closures in the face of non-profitability — a problem of particular pertinence given the persistence of heavy unemployment in the country. Moreover, this predominant emphasis on the demands of the market has also given rise to what has been termed 'economic particularism' at enterprise level, which, by creating a profiteer mentality, has frequently led to a primary concern with the pursuit of financial self-interest irrespective of its consequences for the wider community.

On a more general level self-management has also been con-

fronted with the problems posed by poorly developed democratic attitudes, conservative work habits, insufficient education, and recurrent conflicts of interest between workers with different skills. In addition, there has been a constant tendency toward the emergence of a technocratic managerial elite capable of winning the acquiescence of workers to their decisions, a development compounded in no small measure by the complexity of many of the issues involved, and the concentration of information in the hands of management, both of which give them a powerful advantage over the workers' council. Indeed, several studies of the Yugoslav system have pointed to the existence of a significant discrepancy between workers' evaluations of the ideal amount of managerial control over the deliberations of the workers' councils, and their actual control over these bodies, such that the latter have generally been found to be strongly oriented toward management and official views.

Also of significance in this connection is the fact that while decentralization — through the creation of the B.O.A.L.'s for example — has been viewed as one way of overcoming some of these problems, and in particular of giving workers a greater degree of involvement, many of the strongest arguments for its furtherance have, in fact, come from managers, technologists and their academic and political supporters, rather than from the workers themselves. Indeed, in most instances, workers have generally shown a preference for a more laissez-faire form of socialism, involving their passive acquiescence rather than active participation. Thus research has also pointed to the existence of a significant amount of apathy, even amongst the members of workers'

management bodies, toward many of the administrative and managerial problems of the enterprise, while amongst rank-and-file workers both apathy and ignorance regarding the activities of self-management institutions appear widespread. Indeed, one study in particular, found that workers' listed wages, working conditions and the possibilities for advancement higher in their desired list of job characteristics than participation in self-management, the latter being ranked fifth by active participants and sixth by non-participants. Only in the economically more developed areas, and notably in the republic of Slovenia, does it appear that greater store is placed upon such things as consultation and active participation than on the more basic concerns of pay and general working conditions.

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This general concern over pay has been manifest in escalating industrial strife (euphemistically termed work stoppages.) Moreover, as most Western capitalist nations are themselves only too well aware, the problem is not merely one of the *absolute* size of the individual pay packet but also of its size *relative* to that received by others. By 1970, for example, pay differentials in Yugoslav industry had reached a ratio of 1:8, and though this has since been reduced significantly, concern remains amongst workers, as well as amongst some intellectuals, over the desirability of the

income principle of remuneration according to which pay is directly related to output produced, with little allowance being made for the effects of unequal operating conditions. This abandonment of workers to factors that are generally beyond their immediate control, while possibly justified economically, nevertheless clearly contradicts basic notions of fairness and equity.

Indeed, this highlights one of the basic dilemmas facing the Yugoslav system, for any levelling down — even in the name of social justice — may merely serve to promote the further exodus of desperately needed skilled workers to better paid jobs in the West. The government's unenviable task, therefore, is that of treading a middle way between the demands of equity and socialism on the one hand, and the equally strong pressures for material incentives in the interest of greater efficiency and economic development on the other.

Many of these problems are not peculiar to the self-management system, however. In part they represent the universal problems faced by any developing country in promoting economic progress, while in part they represent those of balancing the demands of market allocation with those of social justice, problems that arise in an equally acute form in the mixed capitalist economies of the West. What is of particular interest in relation to Yugoslavia, therefore, is the extent to which the self-management system has been instrumental in alleviating these problems. Here, the evidence is mixed. Economic progress in the period following the introduction of self-management has been significant (some have actually used the adjective 'spectacular') but problems of unemployment and inflation have persisted and


industrial conflict has not disappeared, nor has 'alienation' been eliminated. Indeed, in some instances it has been found that participants in the various self-management bodies have actually been more alienated than non-participants — a consequence, in part at least, of frustration experienced when expectations are not adequately fulfilled (and here there is undoubtedly a lesson for Canada).

According to critics from the ranks of Yugoslavia's left-wing intelligentsia these problems of industrial unrest and alienation have persisted because 'atomized' self-management has largely left the shopfloor worker out of account. Attempts have clearly been made in recent years to meet these perennial criticisms of participation, however, through further decentralization into B.O.A.L.'s for example and some progress has undoubtedly been made. Thus a recent study undertaken by the Confederation of Yugoslav Trade Unions, and published in 1977, found 83 per cent of those questioned considered that

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workers generally exercised sufficient influence over decision making, while the percentage expressing their willingness to participate in assembly discussions had risen to 60 per cent compared with the figure of only 38 per cent obtained in a similar survey undertaken in 1973. Despite these findings, active participation is still significantly skewed in favour of the better educated and those with Party or trade union membership.

What can Canada learn from this experience? Whatever the ultimate outcome of the ongoing reforms to the self-management system may be, one fundamental lesson seems to emerge — that the full and effective realization of industrial democracy is a slow, and fre-

quently turbulent, evolutionary process, even within a society committed to socialism. It involves, moreover, fundamental changes in both the outlook and perceptions of a significant proportion of the workforce; changes whose time horizon may have to be measured in decades rather than months or years. For this reason, industrial democracy is not a device that should be glibly adopted as a short-term palliative. Indeed, if the expectations that are aroused by its initial introduction are not catered to on a fully committed and ongoing basis, frustrated expectations could easily precipitate an industrial relations climate characterized by even more worker-management hostility than that which pervades the present, and much deplored, adversary system. 

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"Interesting. Five in favor and one in dissent."

The construction industry in British Columbia

Need for a new bargaining structure

by John Clarke

The British Columbia construction industry, with more than 60,000 employees, will be the first large sector of the Canadian economy negotiating a labour contract under the free collective bargaining rules that will return after the wage and price controls are ended April 14. Its bargaining structure is badly fragmented — on the union side by a multiplicity of organizations free to bargain in their own way and for contracts that suit them, regardless of their impact on other contracts; and on the employers' side by a central organization that lacks the power to negotiate for the whole industry.

In effect, B.C. has about two months in which to rationalize this crazy structure before the crunch comes after April 14. Without firmly defined central organizations on both sides, the bargaining is likely to go off in all directions at the same time. One union may set a wage and conditions pattern that other unions will expect to pick up on the all too familiar follow-the-leader blueprint. This might be a possibility, for example, for unions dealing with a weaker, independent contractor willing to negotiate high to avoid a strike, a situation that would leave the stronger contractors with little alternative but to accept those terms and the result would be the weak leading the strong.

Ontario's construction industry is in many ways in a position analogous to that of B.C., though in some ways, it also contrasts with

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it. Consequently, what happens in B.C. between now and the end of April will be of vital significance for Ontario, and likely for the rest of the country as well.

Ontario is just now moving toward a point in the development of collective bargaining modes that B.C. reached several years ago. Construction contracts have traditionally been negotiated in Ontario on a trade-local basis. The locals of, say, the plumbers' or the carpenters' unions would bargain their own contracts. The result was something like 250 different agreements that spread all over the shop.

Now Ontario is increasingly moving toward bargaining on a single-trade basis. The plumbers, the carpenters and all the other crafts, for example, already negotiate an agreement covering all the locals in their trade. The number of agreements is thus reduced and some semblance of order is being brought to the industry.

However, B.C.'s troubles with just such a system indicate that the rationalization process has still a long way to go. The basic fault is that the trade agreement does not obviate competition *among* the trades.

Over the years a fairly precise "pecking order" has developed

which is supposed to reflect the relative importance of each trade to the industry as a whole. At the top are the structural ironworkers, the electricians and the plumbers. The carpenters come in further down the line followed by the plasterers with the labourers near the bottom.

In the Sixties, economist John de Wolf, convinced the Plumbers' Union and its mechanical contractor employers that it would be wise to get out of the rat race by substituting a formula system for setting wages in place of traditional collective bargaining. For five years wages were tied to the cost of living index, plus three per cent annually for productivity gains. Meanwhile, the other construction unions continued to operate under normal bargaining conditions and the result was that the plumbers dropped way down the pecking order and were "fit to be tied" when the five years were up. They went on strike until their position was restored.

Clearly then, even within B.C.'s progressive trade-by-trade bargaining system, there is a serious fundamental weakness.

From time to time the unions have themselves tried to fashion a joint structure that would remove the element of competition. They know the dangers inherent in a system in which one union may go on strike and force other trades that may have settled to honour its picket lines while it pursues a

contract that may be considerably better than theirs. They know also the risks of a sweetheart agreement between an individual contractor and an individual union which other contractors are not prepared to grant the other trades. So at various times attempts have been made to form a united front, however the efforts have always been weakened either by one or two unions actually splintering off on their own, or by the simple threat of such action.

The contractors have been somewhat more successful in forming a united front but it still has weaknesses. The Construction Labour Relations Association of B.C. won accreditation rights in 1970. That meant it had the exclusive right to bargain for all the contractors who joined the organization. Member construction firms could not leave, especially not while the CLRA was in the midst of negotiations. So CLRA created a fair amount of unity on the employers' side.

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However, it has one glaring shortcoming. Independent contractors who did not join are free to bargain their own contracts with the unions. That permits the unions to negotiate "deals" with them which commit the independents to an undertaking to adopt the wages and conditions that are eventually negotiated with CLRA. So they continue operating, providing employment for the trades, even if CLRA decide to take a strike.

Paul Weiler, the chairman of B.C.'s Labour Relations Board, put the entire problem in context in a

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recent address to the CLRA. He said:

"We now have a fundamental mismatching of the bargaining structures on the union and the employer side. To use the technical legal terms, the appropriate bargaining unit in certifications is defined in individual trade terms, while the appropriate bargaining 'group' in accreditation (on the employer's side) is defined in multi-trade sectoral terms.

"What is the predictable result of that mismatch? CLRA develops an industry-wide settlement acceptable to a large majority of the unions. But it happens not to satisfy one or two of the unions. CLRA, mindful of its role as a multi-trade bargaining agent, feels compelled to resist. The work stoppage which ensues shuts down the entire industry."

Thus, on the one hand, CLRA is vulnerable from within when one or two unions choose to strike accredited contractors, while on the other, it is vulnerable to independent contractors who stay outside the organization.

Weiler says: "We may have developed a bargaining structure in B.C. which gives us the worst of both possible worlds. We must bear with the disadvantages of centralization, by reason of the legal accreditation of CLRA. But we must also put up with the disadvantages of fragmentation, given the purely voluntary and often rather shaky hold of the B.C. and Yukon Building Trades (Union) Council. That, in a nutshell, is the problem, one which it is fairly easy

to recognize. The somewhat more difficult question is: where do we go from here?"

Ontario, complicated as its construction labour relations may be, has not yet reached the level of complexity inherent in the B.C. situation. B.C. has had a taste of multi-trade bargaining, likes part of it, but doesn't quite like all of it. However, it is unrealistic to return to what Weiler calls "the lost innocence of the earlier era."

The problem in proceeding from this point to a solution is the fundamental philosophical question about the role of the law in labour relations. Should the structures on both sides be "matched" by the voluntary approach, on which most of labour relations are now based, or should there be some form of compulsion, forcing the employers and unions into single structures?

The CLRA wants "area accreditation" under which it would have the legal right and responsibility to bargain a labour contract for the whole industry, covering non-CLRA as well as CLRA members. Weiler says the idea is worth favourable consideration. "The important point," he says, "would be that CLRA would be established as the exclusive bargaining agent to deal with all the trade unions in building construction."

Such a system of compulsory accreditation would end union divide-and-conquer tactics, would eliminate the free rider advantage of the independent contractor and would thus make the employers a more cogent element thereby contributing toward the achievement of more balanced collective bargaining.

On the union side, the B.C. and Yukon Building Trades Council has tried to co-ordinate bargaining.

However, it has no legal lever either to bring all the unions under its umbrella, or keep them there during bargaining.

If the CLRA gives in to one union by agreeing to pay it more than another, the council's authority is eroded and its ability to reach a firm industry-wide package is lessened. However, if the CLRA resists the council's efforts on behalf of a certain package, then pressures build up among the unions and one or two may be induced to break off and reach their own settlement. Either way any voluntary joint structure on the union side is weakened by the absence of a legal lever.

Weiler believes the unions should give the council "the legal glue, the finishing touches which appear necessary to make it a fully effective and enduring force in B.C. construction industrial relations."

This is not to suggest, of course, that a matching of the two sides on this basis would be a panacea for all the collective bargaining troubles in the industry. Indeed, as Weiler says, "while such a revision probably is a necessary step, it is by no means a sufficient response ...the process of centralization is going to present a major challenge to both sides to exhibit a great

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deal more imagination and flexibility in their negotiations." However, the main point is that without such a matching process, imagination would have a hostile environment in which to operate.

Discussions and behind-the-

scenes manoeuvrings are going on among the trade unions to set up voluntarily a structure that would knit them together in a way that would be satisfactory to all. It is thought here that it would be better to have the unions do the job themselves rather than have a structure imposed on them by either the LRB or the government itself. If they were to succeed, all the government would have to do would be to enact the legislation to give the structure the legal glue Weiler talks about.

However, progress is painfully slow, largely because old prejudices about where a union fits in the pecking order have to be blown away. In many ways, trade unions are among the most conservative elements in Canadian society and there will have to be a lot of head-knocking before an agreement can be reached.

The big danger is that negotiations will be launched for new contracts before an agreement can be found. Moreover, those negotiations will be carried out in the rough and tumble of free collective bargaining. And such progress as may have been made could be wiped out by competition at the bargaining table.

But if the unions can produce a joint structure, the government would be expected to extend accreditation on the employers' side so that the CLRA could bargain for the whole industry. The two sides would then be matched and collective bargaining would be truly rational for the first time in the B.C. construction business. That could influence other sections of the industry in Canada, and notably in Ontario, to follow the same pattern. Moreover, rational bargaining by the B.C. construction unions after April 14 could well set a moderate trend for negotiations throughout the country. [g]



"How do you like that, Igor? Those Canadians are retiring youngsters of 65."

Paid educational leave in Canada: will the dream come true?

by Ken Bradley

"Education is both a right and a need. Workers need more education if they are to participate fully in society," Julien Major, executive vice-president of the Canadian Labour Congress, told delegates attending the first Canadian workshop on paid educational leave (PEL) in Windsor, Ontario, November 1, 1977. The one-day workshop, sponsored by the Canadian Association for Adult Education (CAAE), took as its main theme the implications of applying the concept of paid educational leave in Canada. The workshop represents the first time that government, labour, employers, academics and educationalists in this country have gathered to explore the significance and the likely ramifications of Canada's ratifying the International Labour Organization's (ILO) 1974 Convention on Paid Educational Leave.

There can be no doubt that ours is a society that has always regarded education as a key to personal fulfilment and ultimately also to social improvement. Education has become a multibillion-dollar concern. Understandably, delegates did not dispute the labour spokesman's comment concerning worker access to education. Nor did delegates think that there is anything unusual about workers going back to school. A reaction also understandable in view of the fact that across the country more workers than ever are returning to the classroom either as night school students or participants in manpower retraining programs.

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The concept of paid educational leave, however, as defined by the ILO, is new. According to ILO Convention 140, PEL is leave "granted to a worker for educational purposes for a specified period during working hours, with adequate financial entitlements." This money should enable workers to "maintain their level of earnings by continued payment of their wages and other benefits, or by adequate compensation," ...and also... "take account of any major additional costs of education or training." Countries ratifying the Convention are required to formulate policies designed to promote the granting of PEL for (a) training at any level, (b) general, social and civic education, and (c) trade union education.

As is to be expected, labour and employers especially have decidedly different opinions on PEL. These surfaced during the workshop when delegates discussed such things as who should be eligible to take leave, who should pay, how should PEL be implemented, and perhaps most importantly, what kinds of training workers should be allowed to take.

The views and comments expressed by labour, employers, academics, educationalists and government officials at Windsor were broadly similar to those

expressed by their counterparts in Belgium, France, Sweden, the United Kingdom and West Germany prior to the ratification by those countries of the ILO Convention. The delegates representing government and academia, as well as the educationalists, tended to look at PEL in broad social terms. In his address, Labour Minister John Munro indicated that PEL would provide a second chance for those who missed out on educational opportunities in their youth. The Labour Minister also stated that PEL would provide a vehicle for promoting equality in the workplace. Sabbaticals and educational seminars, he told delegates, are common for bureaucrats, professionals and business executives, but not for workers.

"Paid educational leave is not a new idea", Munro said. "It's only paid educational leave *for workers* that is a relatively new idea. When you look at the education profile of Canadians, it's quite obvious that a significant percentage of the labour force is lacking in basic education, and therefore lacks equal opportunity in the job market. What intrigues me about paid educational leave is its potential for giving a second chance to the worker who is stuck in a dead-end job and has the ability and the desire to improve himself or herself."

Julien Major, however, took Munro's equality argument one step further. He told delegates that the CLC is particularly interested

in PEL not only because of the direct effect it would have on the labour force, but also because workers have paid taxes that have allowed others to enjoy the benefits of education, particularly at the post-secondary level. According to the labour spokesman, PEL will mean that workers will now be able to avail themselves of the advantages higher education affords.

Dr. Jarl Bengtsson, Counsellor with the OECD's Centre for Educational Research and Innovation, told delegates that the traditional life-cycle model of education-work-and-retirement must be made more flexible, a view shared by Dr. Allan Thomas, Executive Director of the Canadian Association for Adult Education. Like Bengtsson, Thomas believes PEL would make a significant contribution toward dispelling the myth that education is only for the young. "From the point of view of an educator," Thomas told delegates, "I cannot help but welcome any reduction in our depressing habit of grouping individuals by age."

Educationalists attending the workshop unanimously agreed that PEL could be one of the most important vehicles for extending basic educational skills to the unacceptably large number of functionally illiterate Canadians, which the CAAE considers as persons with less than Grade 9 education.

For Kurt Swinton, Management Committee Chairman of the International Council for Adult Education, PEL is a necessity if Canadians are to keep pace with the ever-increasing growth of knowledge in modern industrial society. "Social, economic, scientific and technological conditions have changed to such an extent that the knowledge and skills acquired by

"What intrigues me about paid educational leave is its potential for giving a second chance to the worker who is stuck in a dead-end job."

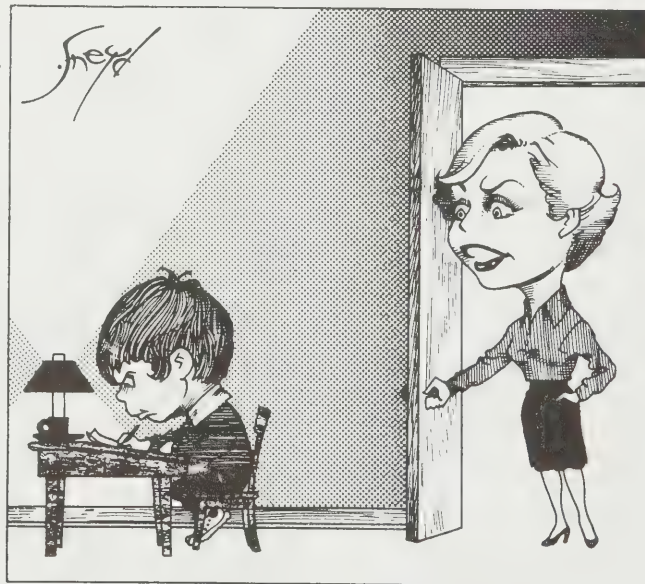
students only a few years ago are today becoming obsolete, even useless," he told delegates. "There is a desperate need to keep our knowledge and skills updated."

By contrast, Roy Phillips, Executive Director of the Canadian Manufacturers' Association (CMA) and the principal delegate representing employers, viewed PEL in more restricted terms. The title of his address was *"Education and the Competitiveness of Canadian Industry."* Phillips told delegates that any movement toward the widespread introduction of PEL has to be evaluated in terms of Canadian industry's ability to compete internationally. Said Phillips, "70 per cent of our trade is with the United States. If we

can't compete with them we are in trouble." Indeed, like most employers, he was concerned that industry would be called upon to absorb the lion's share of the cost of PEL, and he suggested that Canada simply could not afford PEL as defined by the ILO.

Labour, on the other hand, argues that PEL is affordable when considered in terms of its end results. Indeed Major told delegates that PEL should, in fact, be equated with social programs like medicare and unemployment benefits. "Not too long ago," he reminded delegates, "it was felt that medicare was too costly, and it was thought that unemployment insurance benefits would break the country. Yes, there will be costs involved in paid educational leave, but these costs will be repaid a thousandfold through increased productivity, more harmonious labour-management relations and citizens who can participate fully in their communities. There will be increased contribution from all sides."

Toronto Star Syndicate



"Somehow, I don't think you being confined to your room will interest Amnesty International."

As for financing, Major told delegates that the CLC believes that governments and employers will have to bear the costs. "As a minimum, it is to be expected that employees should receive their regular salary and benefits if we are to be realistic in offering educational opportunities to our labour force. An employee, even at the average industrial wage, cannot be expected to maintain himself, his family, and his normal financial commitments for the time necessary to return to school, in order to gain benefits that will accrue to the employer and to our society."

For Phillips, however, this reasoning appeared to beg a host of fundamental questions, which, he declared, would have to be answered satisfactorily, "...if Canadian's are going to seriously consider implementing the ILO convention." For example, Phillips enquired, "At what level of employee is this concept to be applied? Is it the intention of those who favour the concept to extend its application to every adult? Moreover, even if it is accepted that someone is going to get paid, there is still the question of 'How much and by whom?' " Phillips also enquired whether it was implied that the employee would be called upon to make any substantial financial contribution, or whether the employer would be required to pick up the entire cost?

"Indeed," Phillips went on, "Who is assumed to benefit from the greater education — the employer or the employee?" The answer to this question he considered, would provide some guidelines on how to share the costs, but observed that this would still leave open the question of how the expected benefits should be measured, as well as that of the degree of commitment to the enterprise that

should be expected of the employee after he/she had received paid educational leave.

In Phillips' opinion other questions also need to be asked in relation to the basic objectives of PEL; thus he observed that, "It is fairly easy to state very broad objectives such as: 'To provide opportunities for employed people to learn new skills.' But should this be related only to some areas such as adapting to technological change or should there be a broader coverage of areas such as personal

Labour has argued that PEL is affordable when considered in terms of its end results...that it should be equated with social programs like medicare and unemployment benefits.

fulfilment and developing skills in citizenship and government? Who should decide what types of education and training are desirable? There may be a simple answer here that the one who pays the piper should call the tune. These are hard questions but they have to be answered — they cannot be sloughed off."

Phillips went on to argue that if industry is to be expected to meet the full cost of allowing workers to return to the classroom, it should only be on the grounds that the instruction they receive will make them more productive on the job. Employers, he emphasized, should not be asked to subsidize general interest education, which he felt should primarily be the responsibility of the individual. Moreover, in this connection he pointed to the fact that recent years have witnessed a considerable improvement in opportunities for adult education, while at the same time improvements in income, the

standard of living, vacations and hours of work have all added to the ability of workers to take advantage of these opportunities at minimal cost. "Indeed," he declared "such an investment of an individual's own time and money in pursuit of training or education is desirable so that educational opportunities are not used frivolously."

Organized labour and the academics and educationalists, not surprisingly, do not share these sentiments, primarily, because they view general education as an essential element in the individual's overall development. Moreover, they consider employer participation inevitable because workers will undoubtedly have to be allowed some time off from work.

Against this, Phillips, argued that allowing workers time off with pay to attend courses, other than those directly related to their employment, would detract from individual initiative and responsibility for self-improvement. "There are some who argue that employees should not have to use leisure time for educational purposes. I strongly disagree. Making it too easy erodes any sense of individual responsibility for personal development. Such educational efforts should not be regarded as an intrusion on a person's leisure time, but as a choice as to how leisure time is used. The course may be in pursuit of a leisure or recreational activity, it may provide an outlet from the normal job, or it may be part of career development. In any event such efforts should be regarded as a productive use of a person's leisure time and not as an argument in favour of paid educational leave."

Phillips' views on general interest education effectively served to

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the necessary goods and services," he told delegates. "We cannot afford to have machinery standing idle or production costs increase because we do not have the trained personnel to function in a cost efficient manner."

Phillips, however, was not convinced that increased productivity and economic prosperity were necessarily the natural outgrowth of a more highly educated workforce. "The promise of the 1960s that more education would bring prosperity and full employment has not been realized" he declared. "In fact the opposite is true — a disturbingly high proportion of our young people are not finding jobs related to their education — or are not finding jobs at all. There is a disparity in what the educational system is providing and the opportunities that our economic system is providing. We should not lose sight of this hard reality as we discuss paid educational leave." As far as Phillips is concerned there is a difference between a well-trained workforce and a well-educated workforce.

Phillips also told delegates that Canada is not getting the highest possible return on public education expenditures and suggested that the government should take steps to improve existing educational and manpower training programs. At the same time he called for a full examination of existing manpower and education policies before any steps are taken toward instituting generalized paid educational leave. As far as he is concerned, a reorientation in thinking is needed, particularly in the government's approach to manpower training. The current emphasis on institutional training as opposed to on-the-job training,

Employers...seem willing to endorse PEL only if it is defined in terms of current job related training.

he suggested, has considerably lessened the effectiveness of retraining programs.

On the other hand, the government has argued that industry is not doing its share in terms of worker training programs. Munro, for example, cited a survey of industrial training conducted by Statistics Canada in 1970 that indicated that out of 44,000 firms surveyed, some 72 per cent had no organized training.

Against this, however, Phillips argues strongly that industry is, in fact, doing its share. "Most employers could not survive without training and development of their employees" he declared. "But unfortunately there is little public recognition of the extent to which industry is involved in educational programs."


But how is PEL, as defined by the ILO, to be implemented, if indeed it ever is?

The voice of the employers, like that of the turtle, is sounding loud and clear in the land. As Phillips observed, "Because the CMA believes that matters pertaining to employer/employee relations are best determined by the parties without government interference, we hope that governments will refrain from introducing legislation imposing paid educational leave. In today's economic circumstances we cannot afford to increase the share of our resources devoted to education."

The voice of labour resounds equally clearly. "We would welcome legislation in this area as it will not only help our members, but will be of assistance to all working Canadians." But, as Major added, "it is the apparent tradition in collective bargaining that unions must take the initiative." "Once the majority of the labour force negotiates the benefit," he said, "legislation can be undertaken and the benefit passed on to the unorganized worker. In the meantime the CLC will continue to discuss PEL in public forums at every available opportunity."

The voice of government, as always, is optimistic but cautious. More study on paid educational leave is needed. And the subject is open for full and exhaustive discussion. Indeed, that is why PEL was included as one of the 14-points of the government's new labour program announced in the October 1976 Speech from the Throne — to open the door for a three-way ongoing dialogue.

Summarizing the government's view, John Munro stated: "In the typically Canadian fashion, we may take a long time to ratify the ILO convention, but we manage to support it in many practical ways... I hope that as more Canadians consider PEL's potential they will view it as I do — paid educational leave becoming a more significant factor for improving social mobility, for improving equality of opportunity at work, and for improving productivity."

At the moment PEL is, in Munro's words, "a good dream." Someday, with the full co-operation of all concerned, it may become a reality. 

Labour legislation in Canada, 1977

Part 1A: Labour relations — general

by William H. Langford

Since January 1977, amendments to industrial relations legislation have been made in British Columbia, Nova Scotia, Prince Edward Island, Quebec, Manitoba, Saskatchewan and the federal jurisdiction.

Significant amendments to the Labour Code of **British Columbia** became effective September 27, 1977. The police and certain dependent contractors are still covered by the Code, but managerial exclusions under the definition of "employee" are made more explicit: superintending, directing and controlling employees are now included in the functions of those excluded as well as confidential capacity in matters relating to labour relations or personnel and planning or advising in the development of management policy for the employer.

No employer shall refuse to agree with a trade union, certified as the bargaining agent for his employees who have been engaged in collective bargaining with a view to concluding their first collective agreement, that all employees in the unit, including those exempted on religious grounds, will pay union dues from time to time to the trade union. The conditions imposed on the employer not to alter terms or conditions of employment for a period of 30 days after a union has applied for certification for a bargaining unit of employees has been dropped, and in addition the

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employer is no longer required to supply the trade union with a list of names, addresses and telephone numbers of the employees in the intended unit. The employer is now free to communicate to an employee a statement of fact or opinion reasonably held with respect to the employer's business.

The objects and policy of the Labour Relations Board are restated for clarity and to emphasize its public interest concern.

The amendment raises to 45 per cent (from 35 per cent) members in good standing required for a certification application, and the frequency of applications for certification is limited. Where, in respect of an application for certification, the board is satisfied that not less than 45 per cent (was 35 per cent) and not more than 55 per cent (was 50 per cent) are members in good standing, the board shall direct that a representation vote be taken. The amendment raises from 35 per cent to 45 per cent the membership requirement where a trade union requests that a representation vote be taken.

Automatic certification was previously based on a simple

majority; the new requirement is for more than 55 per cent of the employees in the unit to be members in good standing of the trade union. However, where a representation vote is taken and less than 55 per cent of eligible employees cast ballots, the board may direct that another vote be taken, in which case a majority of employees in the unit who cast ballots and who vote to elect the trade union determines certification.

The board is authorized to extend the 72-hour notice where a longer period is required for the protection of perishable property or life, health or property. "Perishable property" includes goods, commodities or property which are imminently subject to spoilage or may imminently become dangerous to life, health or to other goods, commodities or property. For the protection of perishable property, life, health or property, the board may, on application or on its own motion, direct a trade union or an employer to give more than 72-hours notice of a strike or lockout and may prescribe the length of the written notice required and such terms as it considers necessary or advisable.

The 1977 Statutes Amendment Act includes a provision also effective September 27 that the Labour Code of British Columbia does not apply to the relationship of employer and employee between a university and its faculty members.

Amendments to the Trade Union Act, effective May 19, 1977, set out the **Nova Scotia** Labour Relations Board revised procedures in dealing with applications for certification. A vote of the employees concerned will be taken by the Labour Relations Board at the place of employment during working hours no more than five working days after it receives the application from the trade union and three working days after the board's notices are received by the employer, subject to delay if the board decides to make investigations or hold a hearing. As before, the board determines whether the unit applied for is appropriate for collective bargaining and may, before certification include additional employees or exclude employees from the unit. Where a vote is counted, the board will remove and destroy without counting the ballots cast by persons not in the bargaining unit determined to be appropriate.

As before, when the board has determined that a unit of employees is appropriate for collective bargaining, if the board is satisfied that at the date of filing application for certification the applicant union has less than 40 per cent of the employees members in good standing, the board dismisses the application.

The board will now take and count a vote where 40 per cent or more of employees in the unit are union members in good standing. Previously the vote was taken where not less than 40 per cent and not more than 60 per cent of the employees were members in good standing. Where the vote is taken and the majority of votes cast are in favour of the applicant, the board will certify that trade union as bargaining agent of the employees in the unit. Previously, the trade union was certified if the board was satisfied that

not less than 60 per cent of the employees had voted and that a majority of those voting had selected that trade union.

New sections lay down discretionary powers of the board:

Where, in the opinion of the board, an employer or employer's organization has contravened this Act or regulations made pursuant to this Act in so significant a way that the representation vote does not reflect the true wishes of the employees in the bargaining unit determined to be appropriate for collective bargaining, and in the opinion of the board the applicant trade union, at the date of the filing of the application for certification, had as members in good standing not less than 40 per cent of the employees in the unit, the board may, in its discretion, certify the trade union as bargaining agent of the employees in the unit.

Where in the opinion of the board the applicant trade union or a representative of the trade union has contravened this Act or regulations made pursuant to this Act in so significant a way that the representation vote does not reflect the true wishes of the employees in the bargaining unit determined to be appropriate for collective bargaining, the board may, in its discretion, dismiss the application.

Where in the opinion of the board the applicant trade union or a representative of the trade union has contravened this Act or regulations made pursuant to this Act so that the membership information filed with the application does not represent the true wishes of the employees in the unit determined to be appropriate for collective bargaining the board may, in its discretion, dismiss the application.

The board is empowered to prescribe the nature of evidence to be

furnished to it and the board or any person to whom it may in writing delegate the authority may, in all matters relating to certification requiring a determination to be made, make or cause to be made any examination of records or other inquiries, hold any hearings or supervise the taking and counting of any votes that it deems expedient. Hindrance or obstruction of the board or its authorized delegate in the exercise of these powers is forbidden.

In **Prince Edward Island** an amendment to the Labour Act received Royal Assent May 13, 1977. The waiting period of 21 days after the conciliation officer has filed his report with the Minister of Labour that he has been unable to bring about an agreement between the parties (and a conciliation board or mediator has not been appointed) is reduced to 14 days.

The **Quebec** Charter of the French Language was sanctioned August 26, 1977. Chapter VI designates that French, the official language of Quebec, will henceforth be the language of labour relations.

- All the employers' written communications to his staff must be in French.
- Collective agreements and schedules to them must be drafted in French for filing pursuant to section 60 of the Code.
- Only the duly authenticated French version of an arbitration award settling a grievance or dispute regarding the negotiation, renewal or review of a collective labour agreement is official; this rule also applies to decisions rendered under the Labour Code by investigators, investigation commissioners and the Labour Court.
- An employer is prohibited from

dismissing or demoting a member of his staff for the sole reason that he is exclusively French-speaking or that he has insufficient knowledge of a particular language other than French. Contravention of this provision, in addition to being an offence against this Act, gives an employee the same entitlement to vindicate his rights through an investigation commissioner appointed under the Labour Code as if he were dismissed for union activities. The provisions (Sections 14-19) of the Labour Code concerning reinstatement of a dismissed employee then apply.

- Employers are prohibited from making acquisition of employment or position dependent upon knowledge of a language other than French unless the nature of the duties requires the knowledge of that other language.

- Burden of proof that knowledge of the other language is necessary is on the employer, at the demand of the person or association of employees concerned or, as the case may be, the Office de la langue française, which has the power to decide any dispute.

- Except as they regard the vested rights of employees and their associations, juridical acts, decisions and other documents in a language other than French are null; however, the use of a language other than French is not to be considered a "defect of form" within the meaning of Section 134 of the Labour Code.

- Employees' associations must use French in written communications with members. The use of the language of an individual member is permitted in correspondence with him.

- All these provisions are deemed to be an integral part of every

collective agreement and any agreement provision to the contrary is void.

The **Manitoba** Department of Labour Act amendment which came into force June 18, 1977, provides that the Labour Board may sit in divisions as long as a quorum is present at the sitting, previously "in each division." As before, two or more divisions may sit simultaneously. The Chairman (previously the Minister of Labour) after consultation with the board, may direct what matters shall be heard and determined by a division, and where a division is to hear and determine a matter, the chairman ("secretary" before) determines which members representative of the views of employees and which members representative of the views of employers shall sit on the division.

A new section added to the **Saskatchewan** Trade Union Act, assented to May 10, 1977, clarifies the rights of the parties after expiry of a collective bargaining agreement.

Most of the amendments to the Corporations and Labour Unions Returns Act (CALURA) of **Canada** relate to corporations, general and technical matters, spelled out in Bill C-7 which received Royal Assent October 26, 1977.

Among changes relating to labour unions are the following:

The definition of "union" is broadened and clarified, as an "organization of employees that has as one of its purposes the regulation of relations between employers and employees and that has a constitution setting out its objectives and its conditions for membership."

Part II applies to every labour

union carrying on activities as such in Canada, with 100 or more members resident in Canada. Independent local unions are now brought within the scope of the Act. The amendment reduces from six months to 90 days the period of time after the end of a reporting period within which a union must file a return. Additional information required in the return is the number of members (male and female) of any local union or branch and the total number of employees covered by the agreement. Unions must file a separate financial statement for each special fund of the union.

International unions operating in Canada must report separately expenditures directly related to their operations in Canada. Provision is made for a union to file a statement showing all expenditures made by it, even indirectly, for the benefit of members resident in Canada that were not reported elsewhere. A union must file returns required under Section 10 of the Act not less than 30 days after the last day of the reporting period during which it ceases to exist.

Union financial statements must be accompanied by an auditor's report.

Information contained in returns filed under the Act must now be made available to the Minister of Consumer and Corporate Affairs or the Minister of Labour, as the case may be, rather than duplicates of the returns being kept at the Departments of those Ministers. The Chief Statistician is authorized to provide free of charge any information obtained from returns filed by unions to any department or agency of the Government of Canada or the government of any province, and any such department or agency may publish any information so provided. [19]

comment

Cost of indexing pensions

Laurence E. Coward, commenting on the cost of indexing pensions for retired persons (Labour Gazette, November 1977), arrives at a total of \$5,400 million as the ultimate cost of *one year* (1976-77) of indexing. He does this by calculating, so it seems, the entire future cost of the initial \$680 million per year until all the current pensioners are dead. The resultant figure of \$5,400 million is indeed a formidable one, but what does it relate to?

If he insists on projecting costs of indexing into the indefinite future, he should also relate the result to the Gross National Product for those same years, out of which the pensions will actually be paid. As

pointed out in my article (Labour Gazette, July 1977), the resultant real cost will not be found to be in any way alarming.

The simple truth is that we all, workers, children and pensioners, live on the production of the economy year by year. The valid comparison is therefore the one presented in my article — an annual cost for indexing *all* pensions commencing at approximately 0.4 per cent of GNP and rising, in a modest and far from catastrophic fashion, as the average age of the population increases during the next half century. As my examples showed, GNP can be expected to rise, in absolute terms, at a significantly higher rate than that of the increase in indexed pension costs. Interestingly enough, Mr. Coward

admits that, in reality, indexing is largely a 'pay-as-you-go' process.

Contrary to the views often expressed in 'letter to the editor' in our daily press, indexing pensions will not bankrupt the economy any more than will the enormously greater amounts involved in the annual adjustments of the earnings of those who are still employed. These adjustments are, of course, composed, in significant part, of index-like corrections for increases in the cost of living. Doubtless even actuaries and officers of firms of pension consultants participate in the benefits flowing from these regular corrective actions?

Leslie W.C.S. Barnes
Ottawa

Books

The Harassed Worker

by **Carroll M. Brodsky**, Lexington Books, D.C. Heath and Company, Lexington, Massachusetts, 1976. 174pp.

This book should give the reader a new perspective on problems in the workplace — provided, of course, you have the stamina to plough your way through it! *The Harassed Worker* is an exhaustive and exhausting study of psychic injury on the job. It is so detailed that it will likely appeal only to

those with an academic interest in the subject matter. And its presentation also defies all but the most dedicated reader — the typeface is small, and most pages are an unrelieved sea of type.

Nonetheless, Brodsky does deal with a phenomenon which everyone has encountered in some form or another. His book is based on a number of claims filed with California Workers' Compensation Appeals Board and Nevada Industrial Commission, claims of workers who stated that they were unwell and unable to work

because of ill-treatment by employers, co-workers or consumers, or because of excessive demands for work output.

Brodsky defines harassment as "behavior (which) involves repeated and persistent attempts by one person to torment, wear down, frustrate or get a reaction from another. It is treatment that persistently provokes, pressures, frightens, intimidates or otherwise discomforts another person." He then proceeds to describe the different ways in which harassment manifests itself, and the

types of personalities most likely to be involved. He clarifies his observations by citing the experiences of various workers who had filed disability claims.

Although the individual case histories are interesting, and sometimes even shocking, there is one point which is not quite clear. Brodsky argues both for a society and for business organizations which recognize, and hopefully try to prevent, harassment, yet many of the cases he cites concern individuals who are clearly pre-disposed to become victims simply by virtue of their own psychological make-up.

In fact, Brodsky devotes a whole chapter to a profile of the common

traits of the victims of harassment — paranoid, rigid, compulsive, humourless, etc. Then, almost as an afterthought, he reports that some of those who filed claims *had* in fact suffered harassment in the purely objective sense.

Brodsky concludes that, "Harassment cannot be eliminated but it can be reduced in frequency, intensity and duration." It cannot be eliminated, he feels, because to some extent it is "a basic mechanism in human interaction," a way people use to test each other out. He recommends intervention both by government and by employers to attenuate the harassment process, and to limit whatever social support it has. He also suggests that groups or

committees of workers be set up to help reduce harassment and to handle grievances against superiors and co-workers.

Brodsky's parting words are, "...it is hoped that through study of the causes of these problems and through education and legislation, their occurrence will be reduced." After finishing the book, it is difficult to understand exactly what *are* the specific causes of harassment, although one is more familiar with its psychological motivations and manifestations. I suspect some of this confusion stems from Brodsky's tendency to repeat himself, often at painful length.

M. O'Rourke

Research Notes

Compensation

Assessing Trends in Canada's Competitive Position: The Case of Canada and the United States, by James G. Frank. The Conference Board in Canada, November 1977.

This study examines recent trends in the competitiveness of the Canadian economy relative to that of the United States. The analysis focuses on two determinants of competitiveness: trends in relative labour costs for 83 industries over the period 1966 to 1975 and trends in relative productivity for a selection of 33 manufacturing industries. The study finds that there was a narrowing of the earnings differential in all 83 industries over the ten-year period and that a majority of the industries studied is close to or has exceeded parity on an exchange rate adjusted cost basis. At the same time, relative labour produc-

tivity levels rose about 15 percentage points to about 80 per cent of the U.S. level over the period 1967 to 1974 for the selection of 33 manufacturing industries.

●
"Labour Share of National Income," by David Rice. *Labour Research Bulletin*, October 1977.

This article analyzes trends in labour's share of national income in Canada and British Columbia for the past 15 years. The author shows that the wage and salary component of net national income in Canada increased from 68.4 per cent in 1961 to 73.2 per cent in 1976. However, the total labour share (which includes military pay and estimated labour earnings from agriculture and unincorporated business) has consistently fluctuated around the 81 per cent mark. The wage and salary compo-

nent of net income in British Columbia shows a gradual upward movement over the period examined, though it shows more cyclical variation than the national statistic. As with the national statistic, no consistent upward trend is visible in the labour share when it is adjusted for the labour earnings from agriculture and unincorporated business. Its 79.4 per cent average for the period analyzed is almost two full points less than the national share, reflecting a more capital intensive provincial economy.

Discrimination

Equal Rights and Industrial Relations. Industrial Relations Research Association, 1977.

The IRRA's most recent annual research volume seeks to assess

current knowledge of the effectiveness of recent governmental efforts in the U.S. to eliminate race and sex discrimination in the labour market. The volume, which consists of nine papers, proceeds from an analysis of the sources and effects of labour market discrimination to an evaluation of efforts in several sectors to equalize employment opportunities, and lastly to a summary assessment of the outcome of federal efforts to overcome racial discrimination. One conclusion that emerges from the study is that forces internal to the industrial relations system (such as hiring tests and seniority systems), as well as others external to it, present continuing obstacles to the advance of minority groups.

Hours of work

"The Four Day/Forty-Hour Week: Who Wants It?" by Randall B. Dunham and Donald L. Hawk. *Academy of Management Journal*, December 1977.

Attitudes toward 4/40 work schedules were studied for 1400 personnel who worked a 5/40 schedule. The analysis indicates that the workers most likely to have positive 4/40 attitudes would be young, with a low job level, low tenure, and low income. They would have relatively low general satisfaction, low satisfaction with pay and the kind of work, and low company identification. They would also perceive both the work group and the total organizational climate as somewhat negative. The finding that, in general, persons with low attitudes toward work and the work environment have positive 4/40 attitudes leads the authors to agree with other writers

that the 4/40 schedule may be viewed most favourably when it is considered as a partial escape from negative work and work-related factors.



"Employee Acceptance of a Four-Day Workweek," by Myron D. Fottler. *Academy of Management Journal*, December 1977.

An experimental work schedule consisting of four 10-hour days was initiated at a large metropolitan hospital. Six months after the introduction of the new schedule, a bare majority of the employees favoured its continuation. Interviews revealed also that favourable responses to the 4/40 week appeared to be due to the correlates of the new schedule rather than to the 4/40 innovation itself. Males, employees in jobs with low physical demands, and those perceiving an upgrading of their status and responsibility as a result of the 4/40 week were most favourable. The author concludes that such variables as job enrichment, management leadership style, and changes in workplace organization and group membership may be more important determinants of acceptance of the 4/40 week than the innovation itself.

Manpower

Skilled Labour Supply Imbalances: The Canadian Experience, by William Dodge. British North American Committee, 1977.

This paper by the former secretary-treasurer of the CLC is one of a series of studies analyzing skilled labour shortages in Britain and North America. It is based on

extensive interviews with representatives of business, trade unions, government departments and other groups in Canada in 1976 and 1977. The author concludes that while skilled labour shortages are not obstructing economic expansion at the present time, they have done so and will probably do so in the future. Skilled labour needs now and for several years hence should be carefully assessed and measured against the various means of meeting them and fresh emphasis should be placed on manpower policies aimed directly at the correction of supply and demand imbalances in the labour market.

Trade unions

Taux de syndicalisation au Québec — 1975, by François Delorme and Gaspar Lassonde. Ministère du Travail et de la Main-d'oeuvre, November 1977.

This is an update of a previous article in *Travail Québec* which analyzed the growth of trade unionism in Quebec. The authors analyze rates of unionization by industry in Quebec, using a measure of effective unionization. This is obtained by calculating union membership as a percentage of the labour force exclusive of unemployed, self-employed and unpaid family workers. In 1975, the overall rate of unionization, using this measure, was 38.0 per cent, compared with 31.7 per cent of the total labour force.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations researcher and writer in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Arbitration, Industrial

Landis, Brook. *Value judgments in arbitration: a case study of Saul Wallen.* Ithaca, New York State School of Industrial and Labor Relations, Cornell University, 1977. 184p. (Cornell studies in industrial and labor relations, v.19)

Collective Agreements

Ontario. Ministry of Labour. Research Branch. O.H.I.P., major medical, prescription and dental plans in Ontario collective agreements, April 1977 (Toronto) 1977. 16p. (Its Bargaining information series, no. 25)

Collective Bargaining

Edwards, Claude A. *Some reflections on white collar collective bargaining.* Kingston, Ont., Industrial Relations Centre, Queen's University, 1977. 17p. (Queen's University. Industrial Relations Centre. Reprint series, no. 40)

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PRICES, EMPLOYMENT, AND EARNINGS

THE CONSUMER PRICE INDEX — NOVEMBER 1977

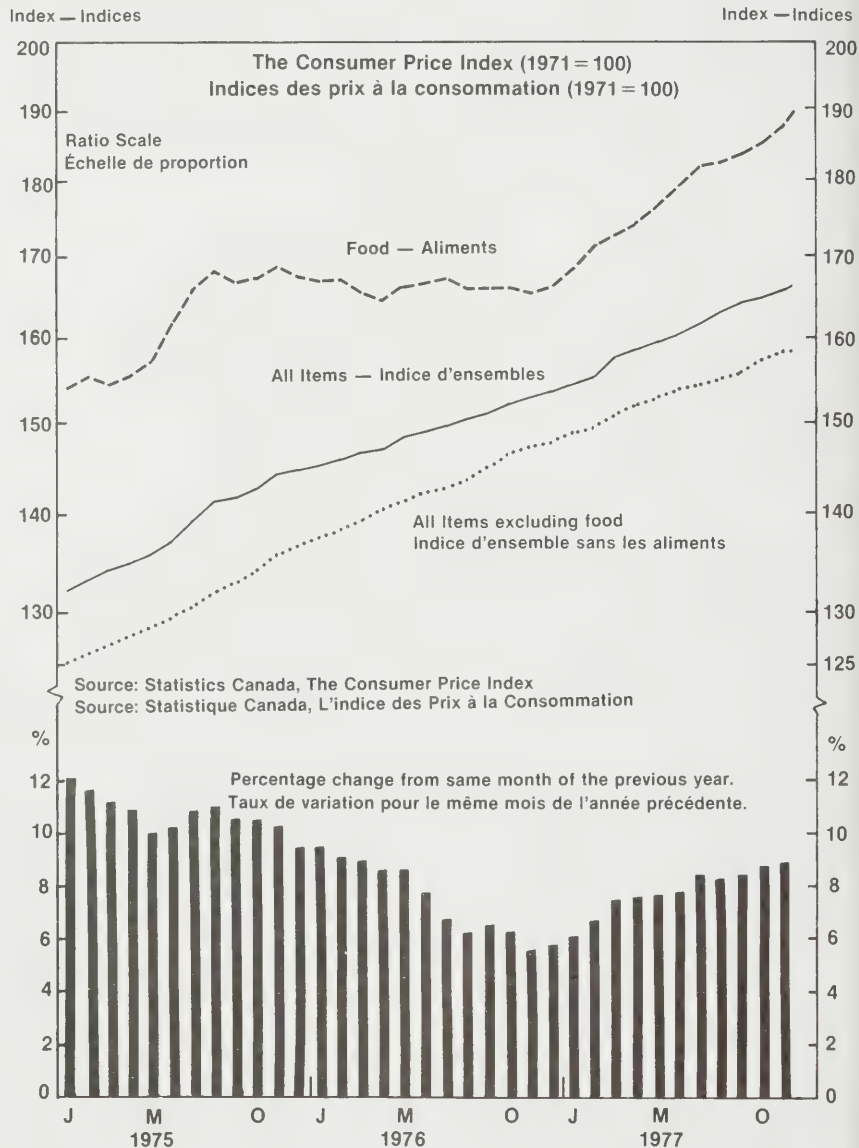
The Consumer Price Index (1971 = 100) increased 0.7 per cent to 166.1 in November from 165.0 in October. On a year-over-year basis the increase was 9.1 per cent, the largest twelve-month increase for almost two years. Higher transportation costs and food prices contributed about 70 per cent to the overall increase of the CPI.

Transportation costs, which account for 15 per cent of the average family's budget, contributed 35 per cent to the latest increase. Higher retail prices for new cars, which increased 4.2 per cent from September, were chiefly responsible. Purchase prices for private automobiles, after adjustment for quality changes, were 9.8 per cent higher than in November 1976. Higher air fares also had an impact on the increase in the transportation index.

Higher prices for fresh vegetables, up 12.4 per cent from the previous month and 30.3 per cent from a year ago, were largely responsible for an increase of 0.8 per cent in the food index in November and a twelve-month increase of 13.9 per cent. Higher prices for fresh fruits and poultry also had a notable impact on the food index along with increased prices for frozen foods and processed vegetables. A decline in the prices for beef and pork products partially offset these prices increases. The cost of food for home consumption rose 1.0 per cent to bring the index 15.9 per cent higher than in November 1976.

The increase in the all-items index, excluding food, was more moderate in spite of the rise in the transportation index. The increases of all other components, except health and personal care,

were below average. Higher charges for personal care (haircuts and hairdressing) and higher shelter costs accounted for some of the increases. The all-items index excluding food, increased



0.6 per cent from October and 7.4 per cent from a year ago.

The seasonally adjusted CPI increased 0.7 per cent in November and the food component increased 1.3 per cent. The current annual rate of change, based on seasonally adjusted movements in the latest three months, advanced significantly to 10.8 per cent. It has been increasing gradually since August, at which time the rate was 6.2 per cent.

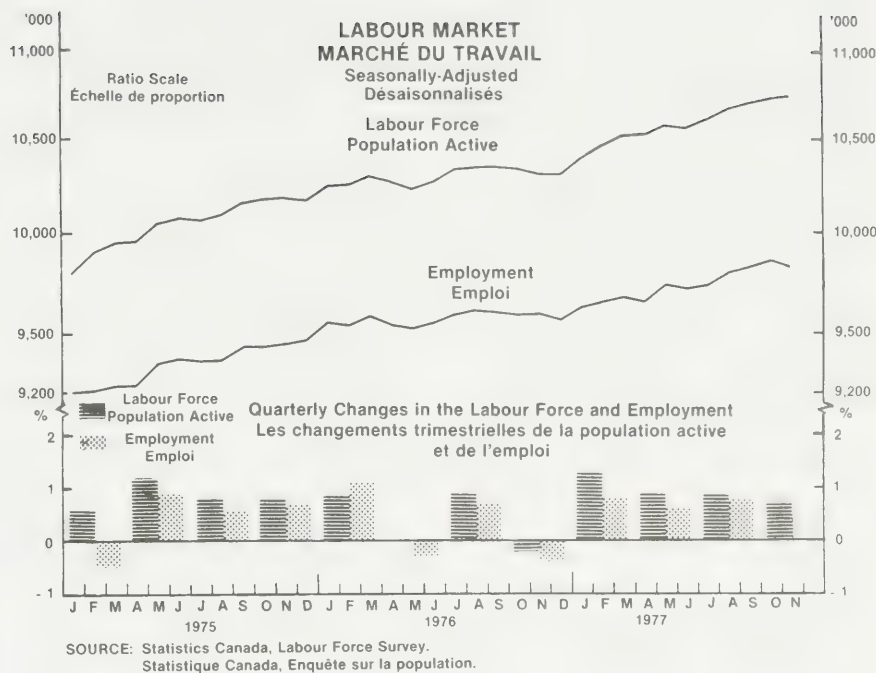
THE LABOUR MARKET
— NOVEMBER 1977

Seasonally-adjusted data —
changes from October 1977

The seasonally adjusted unemployment rate rose slightly to a new record high of 8.4 per cent in November. The increase occurred as employment decreased marginally while the labour force increased slightly. The participation rate was unchanged at the record level of 61.8 per cent.

The decline in employment was due entirely to a further deterioration of the labour market for young people 15 to 24 years old. There were 16,000 fewer jobs among youths, in contrast to small increases in employment for adult males (6,000) and adult females (4,000). The unemployment rate for youths reached a new high of 15.2 per cent, while the adult male rate remained at 4.8 per cent and adult female rate edged up (0.1 percentage point) to 7.8 per cent.

Regionally, employment decreased substantially in Ontario (-25,000, or -0.7 per cent). There was a smaller decrease in Prairies (-5,000, or -0.3 per cent) while, in Quebec and the Maritimes there were small gains, and no change in British Columbia.



The unemployment rate increased in the Prairies (to 5.1 per cent) due to the decline in employment and in the Atlantic region (to 13.7 per cent). In the other three regions the rate was unchanged. In Ontario the labour force decreased at about the same rate as employment and in Quebec the labour force and employment increased at about the same rate. In British Columbia, there were no changes in the major labour market indicators.

Employment in the goods-producing sector increased (12,000) while the service-producing sector decreased (-19,000). The increase in the goods sector was boosted with a strong growth in construction employment together with a weaker growth in manufacturing. In the service sector the decline occurred as employment in the trade industry decreased significantly along with reductions in the utilities and finance. The decline would have been more steep but

for a strong gain in community, business and personal services.

Unadjusted data

Due to seasonal factors the actual level of employment was expected to be lower than in October. However, a decline of 90,000 jobs was more than usual. Compared with a year ago there were 238,000 more persons employed in November 1977, and the number of unemployed were 132,000 greater. The average duration of unemployment was 14.2 weeks in November this year compared with 13.1 weeks a year ago.

The actual unemployment rate in November was 7.9 per cent, compared with 7.3 per cent in October and 6.9 per cent in November 1976.

JOB VACANCIES
— AUGUST — OCTOBER, 1977

Job vacancies for three months ending in October declined 8,000

(or 1.5 per cent) from the previous three-month period. Compared with a year ago the number of vacancies decreased by 3,600 (or 6.5 per cent). Vacancies for full-time jobs (44,600) remained virtually unchanged from May — July, and vacancies for more than four weeks duration (15,500) increased by about 8 per cent.

The vacancy rate for August — October was 0.6 per cent (i.e. six vacancies per 1,000 existing jobs). The highest vacancy rate was observed in Alberta (1.2 per cent) followed by Ontario (0.6 per cent). The lowest rate (0.3 per cent) occurred in New Brunswick and Newfoundland.

EARNINGS AND INCOME — SEPTEMBER 1977

The average weekly earnings for the industrial composite (seasonally adjusted) rose steeply in September to \$254.83 — an increase of 0.9 per cent from August. All industry divisions shared in the increase. The largest increase was in forestry — an increase of 2.1 per cent. With the exception of the Prairies, which decreased marginally, all regions contributed to the overall advance.

In manufacturing, the seasonally adjusted average weekly earnings increased 1.0 per cent to \$271.58. Average hourly earnings for the hourly-rated wage earners (seasonally adjusted) increased 10 cents to \$6.54 in manufacturing, while average weekly hours decreased to 38.6 hours from 38.9 in August.

On an unadjusted basis, average weekly earnings for the industrial composite advanced 10.0 per cent to \$255.42 in September from \$232.12 a year ago. In real terms this increase was 1.2 per cent. Average weekly earnings in mining

was \$353.20 (an increase of 10.1 per cent from a year ago), in manufacturing \$272.07 (10.7 per cent), and in construction \$387.07 (14.6 per cent). In the provinces, average weekly earnings remained the highest in British Columbia (\$290.33) followed by Alberta (\$267.37), Ontario (\$255.31), Quebec (\$250.61), Newfoundland (\$245.48), Saskatchewan (\$239.63), Manitoba (\$229.46), New Brunswick (\$222.45), Nova Scotia (\$216.33) and Prince Edward Island (\$191.85).

Total labour income was estimated at \$10.3 billion for September, an increase of 1.0 billion (11.1 per cent) over September 1976. Wages and salaries, seasonally adjusted, increased \$42 million between August and September.

STRIKES AND LOCKOUTS — SEPTEMBER 1977

During September there were 186

work stoppages, the highest number of the year. Compared with August, fewer workers were involved (32,328) and less man-days (311,680) were lost. For the year so far 2.9 million man-days were lost compared with 8.8 million for the same period in 1976.

In the third quarter 1977, man-days lost as a per cent of estimated working time has increased to 0.21 per cent from 0.19 and 0.12 per cent of the second and first quarters respectively. The third quarter rate is, however, still below the quarterly rates of 1976.

In manufacturing, 194,950 man-days were lost in September compared with 197,570 in August and 488,110 a year ago. The ratio of time lost to time worked in the third quarter declined to 0.46 per cent from 0.52 per cent of the second quarter.

Toronto Star Syndicate



"If music be the food of love, let's up the price like other food producers."

labour statistics

LABOUR MARKET

	Unadjusted			Seasonally Adjusted				
	Nov. 1976	Nov. 1977	% change ¹	Sept. 1977	Oct. 1977	Nov. 1977	% change ² Oct.	Nov.
TOTAL	(numbers in thousands)							
Labour Force	10,299	10,670	3.6	10,711	10,730	10,738	0.2	0.1
Employment	9,592	9,830	2.5	9,825	9,844	9,838	0.2	- 0.1
Unemployment	708	840	8.6	886	886	900	0.0	1.6
Unemployment Rate (%)	6.9	7.9	—	8.3	8.3	8.4	—	—
Participation Rate (%)	60.5	61.4	—	61.8	61.8	61.8	—	—
Both Sexes: 15-24	60.0	60.9	—	63.7	63.7	63.5	—	—
Men:	76.8	77.0	—	77.8	77.8	77.8	—	—
— 25 and over	81.1	81.1	—	81.0	81.0	80.9	—	—
Women:	44.8	46.3	—	46.3	46.3	46.3	—	—
— 25 and over	41.4	42.9	—	42.3	42.3	42.3	—	—
EMPLOYMENT	9,592	9,830	2.5	9,825	9,844	9,838	0.2	- 0.1
Both Sexes: 15-24	2,348	2,370	0.9	2,470	2,464	2,448	- 0.2	- 0.6
Men:	6,043	6,132	1.5	6,136	6,155	6,147	0.3	- 0.1
— 25 and over	4,755	4,848	2.0	4,786	4,810	4,816	0.5	0.1
Women:	3,549	3,698	4.2	3,689	3,689	3,691	0.0	0.1
— 25 and over	2,489	2,613	5.0	2,569	2,570	2,574	0.0	0.2
Paid Workers	8,625	8,825	2.3	8,872	8,862	8,832	- 0.1	- 0.3
— Non Agriculture	8,475	8,701	2.7	8,721	8,716	8,696	- 0.1	- 0.2
In Industries								
Agriculture	482	446	- 7.5	475	483	476	1.7	- 1.4
Manufacturing	1,965	1,916	- 2.5	1,914	1,886	1,889	- 1.5	0.2
Construction	667	669	0.3	635	642	656	1.1	2.2
Trade	1,666	1,725	3.5	1,732	1,737	1,702	0.3	- 2.0
Services	2,585	2,772	7.2	2,754	2,749	2,773	- 0.2	0.9
By Regions								
Atlantic	728	741	1.8	740	735	740	- 0.7	0.7
Quebec	2,477	2,522	1.8	2,518	2,508	2,517	- 0.4	0.4
Ontario	3,680	3,806	3.4	3,781	3,831	3,806	1.3	- 0.7
Prairies	1,656	1,702	2.8	1,688	1,709	1,704	1.2	- 0.3
British Columbia	1,051	1,059	0.8	1,087	1,067	1,067	- 1.8	0.0
UNEMPLOYMENT RATE (%)	6.9	7.9	—	8.3	8.3	8.4	—	—
Both Sexes: 15-24	12.6	14.4	—	14.5	14.8	15.2	—	—
Men:	6.0	6.8	—	7.5	7.3	7.5	—	—
— 25 and over	4.0	4.4	—	5.1	4.8	4.8	—	—
Women:	8.4	9.5	—	9.5	9.8	9.8	—	—
— 25 and over	6.4	7.7	—	7.5	7.7	7.8	—	—
By Regions								
Atlantic	11.0	12.6	—	12.5	13.5	13.7	—	—
Quebec	8.7	10.5	—	10.8	11.4	11.4	—	—
Ontario	5.8	6.2	—	7.3	6.8	6.8	—	—
Prairies	3.8	4.8	—	4.8	4.8	5.1	—	—
British Columbia	7.8	8.5	—	8.3	8.5	8.5	—	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1977			% Change From Previous Year			Current Annual Rate of Change		
	Sept.	Oct.	Nov.	Sept.	Oct.	Nov.	Sept.	Oct.	Nov.
All-Items (1971 = 100)	163.4	165.0	166.1	8.4	8.8	9.1	7.4	9.5	10.8
Food "	184.3	186.9	188.4	11.2	12.7	13.9	8.5	12.0	17.3
Total Ex-Food "	156.1	157.3	158.3	7.4	7.3	7.4	7.2	8.8	8.5

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Sept. 1976	Sept. 1977P	% change ¹	July 1977P	Aug. 1977P	Sept. 1977P	% change ² Aug.	Sept.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite (\$ Current)	232.12	255.42	10.0	250.19	252.45	254.83	0.9	0.9
Real (\$ 1971)	153.01	154.80	1.2	161.98	162.94	164.97	0.6	1.2
By Regions:								
Atlantic	204.89	224.71	9.7	222.51	223.33	225.57	0.4	1.0
Quebec	223.67	250.61	12.0	244.54	248.15	250.33	1.5	0.9
Ontario	233.00	255.31	9.6	249.18	251.47	254.22	0.9	1.1
Prairies	231.52	251.67	8.7	248.82	251.34	251.12	1.0	-0.1
British Columbia	266.49	290.33	8.9	284.50	283.75	286.94	-0.3	1.1
Manufacturing:								
Average Weekly Earnings (\$)	245.76	272.07	10.7	266.21	268.94	271.58	1.0	1.0
Average Hourly Earnings (\$)	5.87	6.51	10.9	6.40	6.44	6.54	0.6	1.6
Average Weekly Hours	38.9	39.0	0.3	38.6	38.9	38.6	0.8	-0.8
Total Labour Income (\$ M)	9,254.2	10,284.1	11.1	9,920.9	9,979.9	10,028.0	0.6	0.5
Wages and Salaries - Total	8,572.4	9,505.2	10.9	9,173.9	9,225.7	9,267.6	0.6	0.5
— Manufacturing	1,944.6	2,128.2	9.4	2,084.1	2,082.5	2,085.2	-0.1	0.1

JOB VACANCIES

	Unadjusted					Seasonally Adjusted		
	1976		1977			1977		
	III	IV	I	II	III	Ending Oct.	I	II
	(numbers in thousands)							
All categories	62.3	40.3	39.7	49.7	52.2	51.5	46.8	47.8
Full-time	54.7	35.8	35.3	43.2	45.4	44.6	41.0	41.5
Part-time	20.3	13.9	12.4	13.2	15.9	15.5	13.7	14.4

STRIKES AND LOCKOUTS

	1976				1977				
	I	II	III	IV	I	II	III	Sept.	Oct.
Strikes and Lockouts	172	209	203	143	119	159	177	186	142
No. of Workers Involved	125,271	231,695	112,173	342,621	23,948	34,555	36,706	32,328	22,307
Man-days Lost — Total	610,433	864,817	1,466,900	927,813	215,677	346,553	394,273	311,680	243,050
— Manufacturing	421,673	296,383	501,157	278,540	110,100	207,630	189,653	194,950	154,340
Man-days Lost as a % of									
Estimated Working Time	0.35	0.48	0.79	0.50	0.12	0.19	0.21	0.17	0.14
— Manufacturing	1.08	0.74	1.18	0.67	0.28	0.52	0.46	0.48	0.39

¹ Per cent change from previous year.

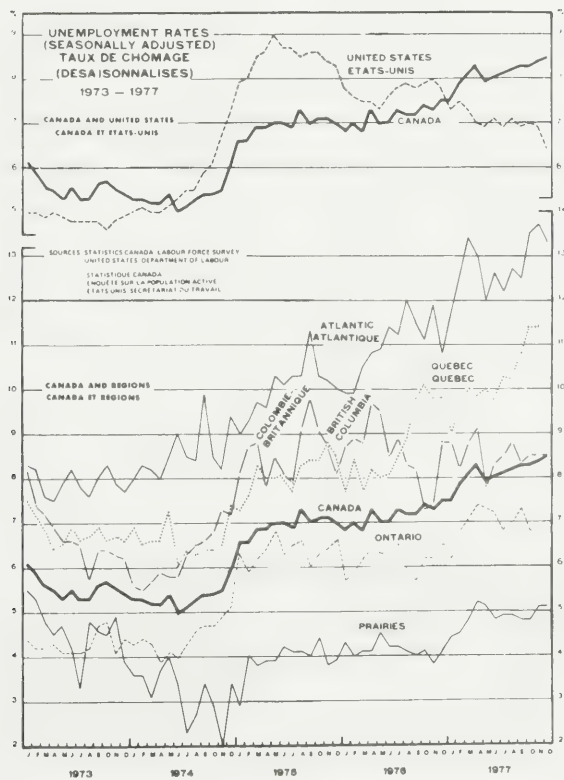
² Per cent change from previous month.

P Preliminary.

Source: Statistics Canada, *The Labour Force*, Cat. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. 72-002. Statistics Canada, *Quarterly Report on Job Vacancies*, Cat. 71-002. Statistics Canada, *The Consumer Price Index*, Cat. 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under: \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976	\$2.65	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1977 July 1, 1978	\$2.70 \$2.75	under 18: \$2.35 under 18: \$2.40
Quebec	January 1, 1978	\$3.27	under 18: \$3.07
Saskatchewan	January 31, 1978 June 30, 1978	\$3.15 \$3.25	no special rates no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates



STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, OCTOBER 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976.....	921	1,039	1,570,940	11,609,890	0.55
1976					
October.....	78	181	927,888	2,035,720	1.14
November.....	52	138	54,886	498,700	0.26
December.....	37	110	45,090	249,020	0.13
1977*					
January.....	47	113	29,132	227,670	0.13
February.....	45	111	19,272	193,140	0.12
March.....	69	133	23,441	226,220	0.12
April.....	76	160	39,133	353,400	0.21
May.....	60	154	32,857	359,740	0.20
June.....	59	162	31,675	326,520	0.17
July.....	51	169	40,805	466,650	0.26
August.....	68	175	36,984	404,490	0.20
September.....	65	186	32,328	311,680	0.17
October.....	42	142	22,307	243,050	0.14
January-October 1977*		648		3,112,570	0.17
January-September 1976		950		10,862,370	0.60

*Preliminary

WORK STOPPAGES BY INDUSTRY, OCTOBER 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Oct.)
		Number	Workers involved	Duration in man-days	
Agriculture.....	0	0	0	0	0
Forestry.....	0	1	80	720	63,810
Fishing.....	0	0	0	0	20,800
Mines.....	1	6	1,312	13,500	115,750
Manufacturing.....	15	62	9,789	154,340	1,678,100
Construction.....	3	5	387	4,820	421,890
Transp. & Utilities.....	9	23	7,047	32,470	193,310
Trade.....	4	17	1,040	13,950	142,260
Finance.....	0	1	8	160	10,830
Service.....	7	19	2,130	16,030	321,570
Public Admin.....	3	8	514	7,060	144,250
Various industries.....	0	0	0	0	0
TOTAL.....	42	142	22,307	243,050	3,112,570

WORK STOPPAGES BY JURISDICTION, OCTOBER 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Oct.)
		Number	Workers involved	Duration in man-days	
Nfld.....	4	4	1,358	1,300	128,190
P.E.I.....	0	0	0	0	0
N.S.....	0	2	22	450	19,950
N.B.....	2	3	613	5,190	36,130
Québec.....	7	65	8,829	131,250	1,413,240
Ontario.....	19	38	4,397	54,810	1,045,390
Manitoba.....	0	1	230	1,840	27,210
Saskatchewan.....	4	7	307	2,310	31,920
Alberta.....	0	5	879	14,920	79,770
B.C.....	2	8	3,743	17,150	139,530
Yukon & N.W.T.....	0	0	0	0	0
Total, provinces.....	38	133	20,378	229,220	2,921,330
Federal Public Service(1).....	1	1	60	60	12,860
Federal Industries(2).....	3	8	1,869	13,770	178,380
Federal total.....	4	9	1,929	13,830	191,240
TOTAL.....	42	142	22,307	243,050	3,112,570

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1976. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

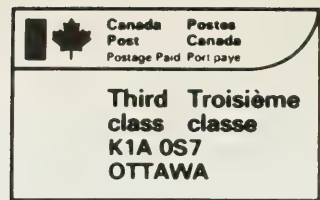
Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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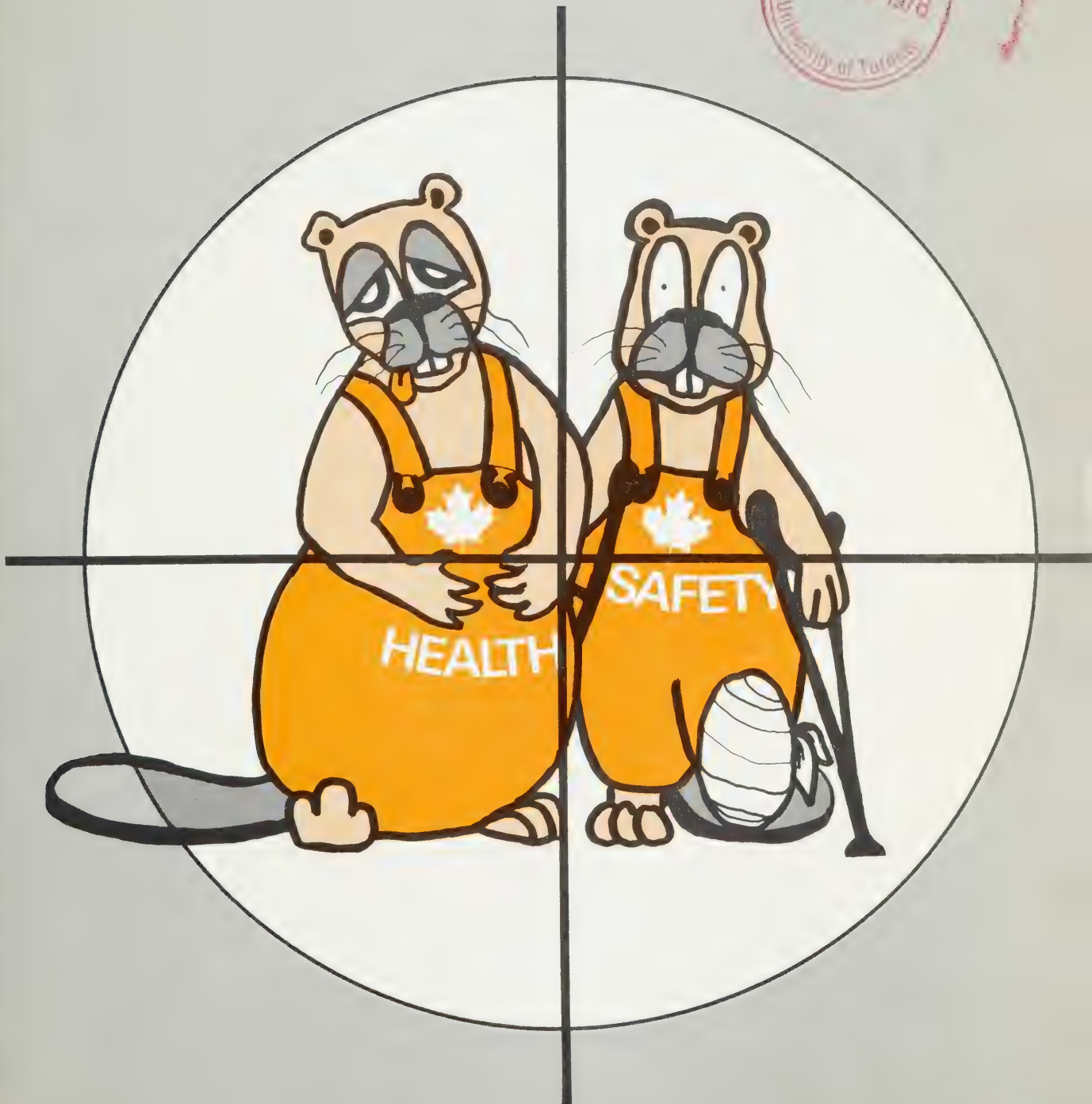


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Occupational health and safety under fire

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**Labour
Canada**

**Travail
Canada**

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Volume 78, No. 4, April 1978

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LABOUR LEGISLATION

Quebec's Bill 45

The Quebec National Assembly has passed controversial amendments to the provincial labour code that will forbid employers from hiring new employees in order to break a strike.

Bill 45 — an Act to amend the Labour Code and the Labour and Manpower Department Act — was finally passed in December, 1977, after several amendments. Most of its provisions don't go into effect until June, 1978, however.

One amendment to the original bill will permit an employer to take "any necessary means" to prevent "serious destruction of moveable or immoveable property" during a strike or lockout. However, even this provision will not permit an employer to hire new workers in order to continue production or services.

Labour Minister Pierre-Marc Johnson said a labour department investigator would assess each individual situation of threatened harm to property. For example, he said, if the workers who operate the heating system of a large office building struck during a cold spell, a shutdown of the system could cause permanent damage and the employer should be allowed to prevent that from happening.

Le Conseil du Patronat du Québec,

which represents firms employing 80 per cent of the provincial labour force, criticized the bill for disrupting "the traditional balance of our labour relations for the sole benefit of the unions, without in any way guaranteeing a better future for industrial relations." The Council called the bill as grave an "error" as the 1964 legislation that granted the right to strike in the public service "without providing for regulations capable of protecting the common good."

The Confederation of National Trade Unions deplored that the legislation "enables the government to interfere in unions' affairs." And the Quebec Federation of Labour complained that it does not apply to the construction industry, which is governed by a separate Act.

PRODUCTIVITY

Increase highest since 1972

Productivity — output per worker — rose by 3.6 per cent in 1976, the largest increase for any year since 1972, Statistics Canada reports. However, this is still slightly below the average annual increase of 3.8 per cent over the 15-year period from 1961 to 1976, although productivity increased only fractionally in 1974 and 1975.

Goods-producing industries showed productivity increases of 3.8 per cent in 1976, while service

industries had increases of 3.3 per cent.

Increase in output per worker was 4.0 per cent in the United States in 1976, higher than the Canadian percentage, but Statistics Canada warns that care should be used in comparing the figures.

Technology vs. people

A new concept, "industrialization of the services," has been drawing increasing attention in the United States, largely because an increasing proportion of the labour force is employed in labour-intensive service activities such as travel, education, entertainment, eating out and health care. Theodore Levitt, a professor of business administration at the Harvard School of Business, says management in manufacturing has been much more productive than management in service industries because it has thought "technocratically and managerially" about its function. On the other hand, he contends, service management has thought "humanistically."

"As long as we view services as invariably personal — as something performed entirely by personal effort for the direct benefit of other individuals — it prevents us from seeking alternatives to the use of people," Levitt says. This, in turn, inhibits the redesigning of service activities to reduce the labour force.

Levitt asserts service can be

industrialized by "hard, soft or hybrid" technologies. Hard technologies substitute machinery, tools or other technology for labour-intensive functions. An example is the electrocardiogram which enables a technician to do work formerly done by a higher paid medical doctor listening with a stethoscope. Soft technologies substitute "organized and pre-planned systems" for individual services and may also involve special hardware. Examples are supermarkets, cafeterias, restaurant salad bars, open tool rooms in factories and open-stack libraries that enable people to serve themselves quickly and efficiently instead of being served by employees. Hybrid technologies combine hard equipment with carefully planned industrial systems to bring efficiency and order to a service industry. An example is computer-based truck routing, using careful programming for types and grades of roads, location of stops, congestion, toll costs and other factors to optimize the utilization of trucks and minimize costs.

Levitt says the industrialization of service requires the same disciplines and strategies that have made modern manufacturing so efficient: "It can require as much costly investment in plant, land, equipment and promotion as has been historically associated with efficiency in manufacturing. It can also require as much planning, organization, training, control, and management as a fundamental manufacturing process."

HEALTH AND SAFETY

U.S. survey on worker exposure to hazardous substances

One in four workers in the United

States is exposed to some hazardous substance at the workplace, according to a survey by the National Institute for Occupational Safety and Health. The findings are based on inspections of 4,636 plants employing 985,000 workers in 67 metropolitan areas in the 1972-74 period.

The survey estimates that 1 per cent of the U.S. workforce — or about 880,000 persons — may have been exposed to the 17 carcinogens that now are regulated by the Occupational Health and Safety Administration. However, scientists estimate that an additional 1,500 substances and occupational hazards may also be cancer-causing.

The survey also found that a large proportion of workers who have had contact with potentially hazardous substances have not received medical tests. For example, more than three quarters of all employees exposed to benzene and asbestos had not been tested to determine whether their health had been affected.

In a separate policy paper, the Institute says it could cost up to \$2 billion a year to monitor work health hazards and provide medical tests. It also says \$3 billion to \$5 billion is now spent for all types of cancer treatment, while lost earnings and productivity due to cancer reach \$12 billion a year.

New approach to accident prevention

Gulf Oil Canada Limited is adopting a "loss management" concept to replace more traditional safety programming with its focus on preventing personal injury. Robert Wright, Gulf's loss management adviser, says the new concept aims at preserving all the

human and material resources of the business, by adopting a systems approach. The key to solving and preventing loss accidents is to identify and remedy the underlying cause — or systems breakdown — he says. "A faulty administrative process allows 'unsafe acts' and 'unsafe conditions' to exist," he says. These arise from failure to set or meet standards in maintenance, operations, training, security, legal or medical matters. And he maintains these are all matters for which management is responsible. "Generally speaking," he says, employees are operating within the framework of the system as they find it in their occupation while they perform their daily tasks. In this sense they are prisoners of the system."

International Harvester builds enviable record

The huge International Harvester farm tractor and engine plant in Melrose Park, Illinois, which employs 4,200 people, has an enviable safety record. In the past nine years there has not been a single fatal accident, and by September 1977 it had built up 1,500,000 continuous hours of work without a disabling accident — one in which the employee missed the next scheduled work day.

The plant's health and safety program includes a hazardous-substances committee, which has tested 1,000 substances brought into the plant, including the soap in the washrooms. The committee insisted on finding safer substitutes for eight of them.

The plant has 55 acres of floor space under one roof and includes five assembly lines, two producing 265 engines in an eight-hour shift and the other three producing

tractors. Signs throughout the plant urge employees to work safely, and extra ventilation has been installed in several areas.

EMPLOYMENT

Work-sharing agreement

The federal government has approved a union-management proposal for a work-sharing agreement at the Brunswick Mining and Smelting Corporation in Bathurst, N.B. The agreement would cover about 600 of the company's 1,600 employees, involving a phased reduction of about 60 workers a month over five months. The Canada Employment and Immigration Commission is to offer these workers a placement program and assistance with moving expenses.

The workforce reduction at Brunswick is a long-term one.

While the government says it is prepared to accept work-sharing proposals in temporary situations, no further agreements similar to that at Brunswick will be made until its effectiveness has been studied thoroughly.

FLIP

Fifteen government departments are participating in the \$150 million Federal Labour Intensive Projects (FLIP) program which will generate 157,000 man-months of employment before it ends on Sept. 30. About \$30 million of the funds will be contracted out to the private sector. Department proposals, to qualify for FLIP assistance, must have a high labour content, be in areas of high unemployment and have a direct relation to the programs of the departments. The program was originally announced by Finance Minister Jean Chr tien in his Oct. 20, 1977 economic and fiscal statement.

the three organizations asked that everything be negotiable, that no measure exclude certain aspects from the scope of bargaining, and that any measure which may be harmful to their voluntary regrouping be repealed. As far as essential services are concerned, union members say they are ready to ensure them themselves and emphasize the "arbitrary" aspect which is the cause for the failure of existing formulae.

The three groups suggest that the government subject the public sector to the Labour Code, thereby avoiding the establishment of a particular labour relations system for government employees.

CONCILIATION

Value of compulsion questioned

An analysis of recent major collective bargaining settlements in Canada supports the argument that compulsory conciliation tends to delay serious bargaining and casts some doubt on the former's effectiveness in reducing work stoppages.

The analysis, published in the September 1977 issue of *I.R. Research Reports*, compares data from Manitoba and Saskatchewan, where conciliation is not compulsory, with those from the other Canadian jurisdictions where it is, over a three-year period ended May 1977.

In jurisdictions where conciliation is compulsory, only 42.6 per cent of the major settlements during the period analyzed were reached at the bargaining stage — ranging from a low of about 30 per cent in primary industries (mining, forestry and fishing) to 51.5 per cent in

UNIONS

Quebec federations propose merger

Two of Quebec's major labour federations are seeking their members' opinion on a proposed merger — the 160,000-member Confederation of National Trade Unions and the 80,000-member Quebec Teachers' Federation. The merger option most favoured by the leadership of the federations is for a new federation that would include the CNTU, the Teachers' Federation and any other labour body that might join later. If the two bodies merged, the combined membership would still be smaller than that of the 280,000-member Quebec Federation of Labour.

Labour brief to Martin Commission

The government must negotiate on an equal basis with its employees, as any ordinary employer would, but without benefiting from special laws and legal remedies. This is what emerges from a brief submitted by Quebec's three central labour bodies, CNTU, CEQ and QFL, before the Martin Commission, entrusted with reviewing the bargaining mechanisms in the public and parapublic sectors.

In their argument to ensure the free regrouping of unions, the right to strike, and to free bargaining, the centrals objected to the requests of various professional associations from the health and education sectors for a return to "local bargaining." Furthermore

personal services (mainly education and hospitals) and 57.7 per cent in public administration. But in Saskatchewan and Manitoba combined, 66.3 per cent of major settlements were reached by the parties themselves at the bargaining stage. (The Manitoba and Saskatchewan data exclude agreements between teachers and school boards.) The proportion of settlements reached following a work stoppage was also lower in those two provinces than in the other jurisdictions.

"Compulsory conciliation, it appears, results in a tendency to postpone serious negotiations until the right to strike or lock out can be exercised," the analysis report observes. "Voluntary conciliation (or mediation), available as the only alternative to a work stoppage, appears to show more positive results, improving the effectiveness of initial bargaining and increasing the probability that third-party assistance will be successful."

BUSINESS

Directorship profile

The typical Canadian board of directors has 11 or 12 members, all of them male. It meets five or six times a year, is dominated by outside directors, and is made up mostly of Canadian citizens, as required by the Canadian Business Corporations Act, 1975.

These are some of the findings of a survey of 276 firms — 133 of them in manufacturing — by the Conference Board in Canada, published under the title *Canadian Directorship Practices: A Profile*. About 38 per cent of the respondents were categorized as "small" firms with assets of up to

\$99 million, 36 per cent as medium firms with assets between \$100 to \$499 million, and 27 per cent as large firms with assets of \$500 million or more.

There were only 32 women among the total of 3,365 directors — a representation of 0.95 per cent. In manufacturing the percentage of women directors was 0.22 per cent and in non-manufacturing it was 1.45 per cent.

Law was the most frequently reported primary occupation of outside directors. About 71 per cent of the companies reported at least one lawyer on the board and, globally among reporting companies, there was one lawyer for every seven outside directors.

Boards of larger companies tend to meet more frequently — a median of six times a year. The median for smaller firms was four times a year and for medium firms five times. The number of meetings held annually ranged from a low of one to a high of 24.

The survey found that most boards also have a compulsory retirement age for their members — 70 per cent in manufacturing and 81 per cent in non-manufacturing. Other reasons cited for retirement or resignation by most companies were "bankruptcy, mental illness or ceasing to be a shareholder." Median retirement age for outside directors was 70 in manufacturing and 71 in non-manufacturing.

ABSENTEEISM

Twenty-one days off

A government study finds that the average French worker is off the job 21 days a year — excluding holidays and strikes. That is about

five times the United States average. The study, based on 1975 data, says absenteeism has cost the French economy a total of 381 million man-days — more than 100 times the loss to strikes. The report also notes that 50 per cent of employees were never absent and that 10 per cent of workers accounted for 36 per cent of all days lost. Sickness was the major reason for absenteeism, accounting for 78 per cent of cases.

To combat the problem, the report recommends the hiring of more social security inspectors, the use of computerized files to check on persistent absentees, and the ending of an arrangement that permits workers who are officially off sick to be absent from their homes between 10 a.m. and 5 p.m. The report says only 40 per cent of "sick" employees were at home when a social security inspector called.

QUALITY OF WORKING LIFE

Profits up, absenteeism down

A work enrichment program is a major factor in the productivity of Butler Manufacturing Company's 14-month old grain dryer assembly plant in Story City, Iowa. Larry Hayes, the plant manager, estimates that the plant may be 10 per cent higher in profitability than comparable operations with 10 years experience or more. He gives the use of self-managed work teams much of the credit for the plant's average absenteeism rate of only 1.2 per cent compared with the traditional 4 to 5 per cent in United States factories, as well as for its 10-12 per cent annual workforce turnover, compared with an average 35.4 per cent for all U.S. production workers in 1976.

EDUCATION

Preparing school leavers for world of work

About 210 students from high schools in Hartford, Conn., are participating in a workplace program designed to teach them both academic subjects and job skills and provide them with actual work experience. Employers in four industries are co-operating in the program — insurance and banking, electromechanical, health care, and auto repair.

For half of each weekday, the students attend classes in one of four career centres that opened last September, one for each industry. For the other half of the day, they work for one of the sponsoring companies at wages ranging from \$2.30 to \$3.64 an hour. Much of the curriculum at

the career centres is considered more advanced than that of Hartford high schools. For example, the health care centre offers its 50 students courses in biology, physiology, anatomy and chemistry as well as teaching them health care skills. And in January, several of them started a pre-medical program that may help them if they later apply for entry to medical school.

The program is intended to go some way toward meeting the criticisms of some Hartford employers who have complained in the past that high school graduates were unable to perform simple clerical and technical jobs. Dr. Edythe P. Gaines, Hartford's superintendent of schools, says the workplace program is based on the concept that "to prepare youngsters for the world of work, the comprehensive high school must give way to the comprehensive education, brokered by the high school."

PEOPLE

Levinson on Du Pont board

Charles Levinson, a Canadian, has been elected as a worker representative on the supervisory board of Du Pont Deutschland under the new West German legislation that requires companies with more than 2,000 employees to have 50 per cent of their board membership made up of employee representatives.

Levinson, secretary-general of the Geneva-based International Federation of Chemical, Energy and General Workers Unions (ICEF), was nominated by the IG Chemie-Papier-Keramik, the union that represents most

workers in the West German chemical industry. He has been a long-time advocate of industrial democracy and a severe critic of some of the practices of multinational corporations. The ICEF has been engaged in developing forms of international trade union action aimed at multinationals. Du Pont, with headquarters in Wilmington, Delaware, is one of the world's largest multinationals, with an annual turnover approaching \$10 billion.

Levinson, a former writer with *The Labour Gazette*, is the author of several books, including *Capital, Inflation and the Multinationals* and *International Trade Unionism*. His most recent book, *Vodka-Cola* documents the relations of multinationals with Eastern European countries.

PERSONNEL

Management time

A study by Information Science of Montvale, N.J., shows that personnel or "human resources" matters now occupy 20 per cent of management's time and indicates that this percentage may reach 30 in another five years. One reason is the need to control personnel costs while still emphasizing employee satisfaction in a period of high expectations. Modern automated record keeping systems are another factor. Personnel directors need new qualifications and bigger staffs to cope with them.

Temperament factor

Jack McQuaig, an industrial psychologist and consultant, says more consideration should be given to temperament in personnel placement. To put an introverted, creative "specialist" into a management or sales position would lead to great stress as he tried to cope with his new job, McQuaig told a Toronto seminar sponsored by Modern Information Communications Association. Such a person, he said, was unsuited by temperament to motivate or lead staff or to stand firmly by his decisions.

He divided people into categories according to temperament. The "generalist" who is competitive, skilled socially, restless, driving, stubborn and determined, should be in management and sales, but not the "specialist," the "nice guy," or the "autocrat," who are unable to work with people, McQuaig said. He also recommended physical fitness as a help in coping with stress. [9]

Occupational health and safety — a critical view

by Lynda Leonard

In response to demands expressed by labour, enlightened management and the public, Labour Canada has proposed the creation of the Canadian Centre for Occupational Safety and Health. In many respects, however, this represents neither an innovative nor a particularly creative approach toward dealing with the growing problem of occupational health hazards.

In 1976, occupational accidents and diseases cost the country close to \$800 million in compensation payments, medical costs to workers, and losses in time to industry. Indeed, contrary to a prevailing misconception, strikes and lockouts were not the major time thieves in 1976. Labour problems lost us 11.6 million man days. Work related injuries and accidents took an estimated 13 million.

However, the problem has dimensions far greater than might be suggested by a few figures printed as labour statistics for 1976. The effects of many hazards could not be adequately measured in 1976 or 1977, and won't be measured in 1978. Exposure to a foreign substance like asbestos may not manifest itself as an illness until years later. An ex-miner, for example, might well find his retirement cut short by a malignant cancer spawned in his lungs by asbestos dust inhaled years before in the days when he was working.

There is a serious time lag in identifying work related diseases. Vinyl chloride monomer (VCM), for example, has been used in rapidly growing quantities since it was developed during the Second World War. However, it was not until 1973 that it drew suspicion as a cause of liver cancer and only recently has the substance been definitely confirmed as carcinogenic. New materials are being introduced by industry every year and, while some testing is done to determine their safety, urgent pressures to get the material in production often prevent a thorough and lengthy investigation of a substance. Moreover, it exceeds the limits of human capability to expect that all possible short and long-term effects from a new substance could be controlled for — even in the most conscientious research.

Even when hazards have been effectively identified and workers have been alerted to the risks involved in their jobs, another human dimension enters the problem. Not every worker can choose where he or she will work. In a one-industry town like

Thetford Mines or Elliot Lake, for example, the exposure to a hazard leaves the worker with two equally unpleasant options. He can either stay on the job and gamble that his health will hold until he qualifies for a pension, or he can quit and suffer a possibly long but almost certainly impoverished retirement. With unemployment so high — especially in the mining sector — relocation represents a poor third choice. Most will take the first alternative, for occupational diseases are like any other fatal disease; they always happen to somebody else. Moreover, as unemployment steadily grows, those with the jobs are going to hang on to them, regardless of the dangers.

However, this is only the tip of the iceberg when it comes to the problems surrounding occupational health and safety. There are complications involving the bias of scientific research and data accumulation. Legislation in the area is an overwhelming jumble of 237 separate federal and provincial acts and more than 400 sets of regulations. Most of this is couched in classic legalese incomprehensible to inspectors, health and safety committee members and shop stewards. There are problems involved with insuring both the availability and privacy of medical records. There are problems at every turn. Yet no one attempts to tackle them with any but the old, worn out solutions.

Legislation in the area is an overwhelming jumble of 237 separate federal and provincial acts and more than 400 sets of regulations

There are several precedents for the creation of a federal research centre for occupational health. In 1970, for example, the United States created the National Institute for Occupational Safety and Health (NIOSH). In Great Britain, the Health and Safety Commission created through the Health and Safety at Work Act has been in existence for nearly four years. These two centres, and others like them in other countries, are charged with the responsibility for reviewing data, testing new substances, sponsoring research programs and establishing exposure standards. They are obviously early prototypes for the new Canadian centre. But even though it follows as many as eight years later, CCOSH shows no signs of avoiding or correcting the various short-

...as unemployment steadily grows, those with the jobs are going to hang on to them, regardless of the dangers

comings of its forebears. The centre's designers have outlined this preliminary list of functions to be undertaken:

- to provide a forum for achieving consensus among participants for eventual promulgation of consistent standards and codes for occupational safety and health; while respecting existing jurisdictions and practices;
- to serve as a centre for collecting, processing and

disseminating scientific and technical information in the field of occupational safety and health to help create greater public awareness of these matters and provide authoritative information for educational purposes;

- to stimulate and orient research interests, needs and activities through the collection of data on the prevailing status and conditions in the workplace in Canada and through dissemination of these data;
- to develop scientific and technical consensus on occupational hazards, review and disseminate documents and model codes on hazard criteria;
- to participate in or operate facilities for testing of industrial processes to simulate or duplicate manufacturing and production processes for the purpose of identifying possible hazards and, if required, establish mechanisms to prevent and/or eliminate these hazards;

...the CLC's Julien Major stated that the Congress would not participate in the centre as proposed....he called it a paper tiger...

- to make available through scientific and technical staffs, advice and service to workers, trade unions, management, government agencies and the public to seek solutions to existing and anticipated problems;
- to undertake and perform pertinent studies and surveys and, through grants, support and co-ordinate these activities at industrial and institutional levels;



"Caught your arm in the folding machine again, Hurbert?"

● to maintain contact, communication and exchange of information with other national and international organizations and institutions engaged in the advancement of occupation safety and health standards and systems.

The centre will be multipartite in composition, governed by approximately 40 members from federal and provincial government agencies, the labour movement, management, scientific associations, universities and the public. Membership breakdown will run along the lines of 12 participants from the provincial governments, 4 from federal departments (Labour and Health and Welfare), five or six from the labour movement, five or six representing industry, five or six from the scientific/academic community and two or three from that portion of the public not represented by the other groups. These members will elect six of their number to sit on the centre's executive board. Labour and management will both be represented by at least two members each.

The centre will initially cost from six to eight million dollars. It will be staffed by professionals who will both evaluate and generate research ideas. Data processing and record keeping will be an integral part of the CCOSH activities and so a considerable portion of the staff will be computer personnel. Awards officers supervising contract funding will also be required, as well as enough administrative and support staff as is necessary to give the institution its federal government identity. CCOSH is to be autonomous from any government department and will report directly to Parliament through the Minister of Labour. It will have no authority to publish or enforce mandatory standards.

...similar centres have been in existence elsewhere for a number of years, and their effects have been less than earthshaking

The Minister of Labour is very optimistic about the potential of the centre. In a speech last fall to the Canadian Engineering Society, he elaborated on his vision of what the centre could accomplish: "Through the provision of expertise, the Centre could assist public authorities in the development of policies and programs for more effective control of occupational hazards. The Centre would also create a new avenue for labour-management participation in the vital pursuit of solutions to these problems." But the multipartite structure does not preclude the kind of suspicion generated when labour and management confront each other from opposite sides of the bargaining table. If anything, it compounds labour's doubts.



"AND ANOTHER THING, BOSWELL...GET YOURSELF A REGULATION HARDHAT"

At the Canadian Labour Congress' Health and Safety Conference held in Toronto last November, CCOSH Director J.H. Currie, tried to sell the centre to the delegates. Few of them bought it, however.

At the close of the CLC conference, the CLC's executive vice-president Julien Major stated that the Congress would not participate in the centre as proposed. He expressed the fear that the multipartite administration would prove too diverse to be functional and that the input of all the other parties would swamp the interests of labour. He called the centre a paper tiger and cautioned against "a false sense of security that something was being done."

Labour is the sector affected by industrial accidents and diseases. Decisions in this area must be labour's

The fact is that similar centres have been in existence elsewhere for a number of years, and their effects have been less than earthshaking. Despite NIOSH, miners in Kentucky still die of black lung. Lead, asbestos, VCM and mercury take their toll every year regardless of the research effort. Just about the only direct and unquestionable benefit that comes from federal research centres is employment for researchers. But even this can become a hazard when dealing with a pressing problem like occupational health. Nicholas Ashford of MIT's Centre for Policy Alternatives pointed out a principle problem with NIOSH that could all too easily become common in other centres of this type: "There are no deliberate attempts to formulate any kind of research policy based on the real problems in the workplace. They don't bring input from labour into the design



"WHY ARE YOU CRYING, SIR?"

of their research projects. What they have is a lot of old time researchers who are accustomed to pursuing their own interests, without regard to the timeliness of their work".

Government researchers, regardless of their commitment, are removed from the problem. When the institution they work for is governed by the patchwork of interests proposed for the Canadian centre, their perception of the urgency of their research is bound to be blurred. Scientists also are removed from the problem. Government adminis-

trators are removed from the problem. Management and the general public are removed from the problem. Those directly

Of all parties, labour is in the best position to detect and conscientiously regulate hazardous substances and processes

affected by occupational hazards are those men and women who spend the greater part of their waking day in unsafe workplaces.

The central point in this whole issue is one no one wants to approach. Labour is the party affected by industrial accidents and diseases. Decisions in this area must be labour's in counsel with whatever resources it wishes to draw upon. Research centres can be productive. We need the knowledge that such centres can provide, but it is doubtful whether we will get it soon enough from the government centre proposed.

The varied administration of the centre as proposed represents a number of interests not necessarily compatible

It would better serve the purpose to give the \$8 million directly to the labour movement for the research priorities it perceives or at least let it draw up the research agenda. The varied administration of the centre as proposed represents a number of interests not necessarily compatible. Governments are interested in protecting their jurisdictions and maintaining political power. Industry is interested in maximizing productivity and profit. Labour is interested in keeping those it represents employed and safely employed. Demands for the abolition of a process or excessively reduced levels of exposure could hurt productivity. But labour has a stake in productivity too. Careless decisions could result in layoffs or lockouts. Of all parties, labour is in the best position to detect and conscientiously regulate hazardous substances and processes. It is possible that this problem may only come to be solved by giving labour more decision-making power, rather than by creating just another government institution. [g]

Occupational health and safety: the importance of worker participation

by Joan Brown

Reviewing the record of safety in mines in Ontario over the last 30 odd years, Ray Stevenson of the United Steelworkers recalled early attempts (1944) to include health and safety issues in collective agreements. The reply at that time was "safety is the sole prerogative of management."

This "sole prerogative" viewpoint still persists, though it is now more likely to be expressed as "sole responsibility." In evidence before the Royal Commission on the Health and Safety of Workers in Mines (the Ham Report) the Mines Accident Prevention Association of Ontario (MAPAO) expressed it thus:

The industry...takes the position quite simply that management is morally, legally and financially responsible for the occupational safety and health of its employees and cannot be relieved or excused from this responsibility.

Further, the industry's position is that this responsibility is one that cannot be shared or delegated to a committee for this can only result in confused lines of authority and poorer safety.

The moral, legal and financial responsibility of employers to provide a safe and healthy workplace has been recognized by recent commissions of inquiry into occupational health and safety, and is not disputed by the unions. What is in dispute is whether the "doctrine" of employer responsibility necessarily implies that

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workers have no right to a say on how that responsibility is carried out.

The union movement has long taken the stand that safety at work is a tripartite responsibility. Joe Morris, writing in *Canadian Labour* in 1964 said:

It is the responsibility of the government to set minimum standards of working conditions; it is the responsibility of management to provide safe and comfortable working conditions; and it is the responsibility of labour to ensure that the conditions it enjoys are safe, and that they are maintained that way.

This notion of tripartite responsibility has been endorsed by the Ham Report, the Alberta Health and Safety Commission, and the Comité d'étude sur la salubrité dans l'industrie de l'amiante.

Labour's part in this shared responsibility can be looked at in at least two ways. First, the knowledge and practical experience of

Safety at work is a tripartite responsibility

the worker is an essential input in the process of planning and implementing health and safety arrangements and his or her (or the union's) advice must be sought before any decisions are made. The second view assumes the necessity for prior consultation, but goes on to assert that since it is the worker who will suffer by loss of his health or his life if health and safety arrangements fail, he has a right to share in the actual decision-making and implementation process. Merely to be asked for advice, however, which may then be ignored, is not enough. There must be actual power sharing and under highly dangerous conditions, the right of veto.

Insofar as there has been worker participation in occupational health and safety arrangements, it has, at least until recently, been of the first of these two categories.

Governments planning new legislation or regulations will frequently consult interested parties, including labour organizations, before proceeding. Under our system of government it is recognized that the final decisions on legislation will be taken by government, and power sharing is not expected. However, from the viewpoint of labour, both the consultation process and the outcome often leave a lot to be desired.

As in all government consultations, it can happen that the basic decisions have already been made.



"I wonder if this is covered by my health insurance?"

In this case the consultation will be largely a ritual. It may be a handsome and elaborate ritual, but as a process it is quite meaningless. At other times consultation is undertaken with serious intent, and every effort is made to enable labour organizations to participate. However, where the views of industry and labour are in conflict, the dice are often loaded against labour. Industry is able to bear the cost of the preparation of detailed briefs, it can afford to hire legal, medical and other expertise, and has access to sources of information denied to the workers. Many labour organizations have few staff, limited funds, and because of government's failure to collect and publish adequate data on occupational health and safety, may have a poor information base. Only the larger unions can operate on a reasonably equal basis with industry. Unorganized workers are not even in the race. However, even where labour can and does make an effective input, other factors will often influence the final decisions. Political and economic considerations, not

always directly related to the health and safety of workers, may lead government to favour the viewpoint of industry over labour where these are in conflict.

The knowledge and practical experience of the worker is an essential input in the process of planning and implementing health and safety arrangements

A second form of participation is worker representation on advisory committees. Part of the self-regulation approach to occupational health and safety in Canada has been the support given by government to employer industrial safety associations. Ontario, for example, has nine such associations funded by the Workmen's Compensation Board. Because of the important and, in some areas, the key role these associations play, the 1967 Royal Commission on Workmen's Compensation recommended labour representation in their activities.

B.J. Legge, discussing this in 1972 (in *The Canadian System of Workmen's Compensation*) said:

The idea of giving an equal voice to labour representatives on boards of directors organized and financially supported by industry has not yet been accepted with great enthusiasm. Progress has been made by the Construction Safety Association and the Industrial Accident Prevention Association which have both set up separate advisory committees to their boards of directors. On the advisory committees labour and management sit as equal partners to discuss the programs and needs of the industry involved. This enables the association to benefit from the ideas and experience of representatives of labour while maintaining the concept that they are fundamentally associations of employers.

In most of the safety associations in Canada the relationship between the association and the workers is one of educator and pupil, whether in crew safety meetings, seminars, or safety courses. Even where the idea of worker representatives is accepted, their role is not expected to be decisive. The Industrial Accident Prevention Association, for example, has a liaison committee, jointly chaired by the IAPA and the Ontario Federation of Labour, whose main function is to plan educational activities. In 1975 MAPAO's annual report stated:

During the year, your Association decided that a Liaison Occupational Safety and Health Committee, composed of MAPAO representatives and representatives from organized labour, could be a valuable adjunct to the industry's overall safety and health effort...

Political and economic considerations...may lead government to favour the viewpoint of industry over labour where these are in conflict

While the Committee has not been formed, the Association is hopeful that it soon will be, and that it will operate amid a flexible, informal structure aimed at providing effective dialogue on the various safety and health issues that are of mutual concern.

It will be noted that the committee was to be an adjunct (albeit a valuable one) aimed at promoting dialogue. It was not intended to have any authority.

The Construction Safety Association of Ontario has gone a little further. It has labour-management safety committees at provincial and regional levels. In addition to educational activities, these committees have prepared briefs on construction and crane safety legislation and developed basic standards and safety manuals.

Labour is also represented on a number of provincial government advisory committees, such as the Ontario Labour Safety Council and the Nova Scotia Workmen's Compensation Board Executive Committee on Industrial Accident Prevention. Given that such committees often have substantial labour representation (though not all of them do), this is a useful form of participation. However, it does not constitute real power. An advisory committee, by its very nature, is not intended to do more than *advise*. Someone else, the Minister, the department, the board, will decide on whether or not that advice is to be taken, and the decision will not necessarily

be based solely on whether the advice was good or bad.

A form of participation closer to the workplace can be found in collective agreements and legislation, providing for company-union safety inspections, or for the right of a worker representative to accompany a government safety inspector on job-site inspections. However the United Steelworkers, in evidence to the Ham Commission, reported mixed experience with company-union arrangements:

Many collective agreements negotiated by the Steelworkers over the years covering Ontario mines have provisions for joint company-union safety tours. These tours should provide the basis of a co-operative safety program in which union and management seek out problems as a team and combine forces to eliminate conditions that could cut short miners' lives. In practice, safety tours are usually considered a nuisance by the company and become a source of frustration to the employees.

Every aspect of the safety tour provides grounds for contention. How often will the tours be held? Who will pay the lost wages involved? What is the guarantee that all areas will be covered? Is the tour intended to penalize individual workers or to point out problems? What if dangerous conditions go for long periods without being rectified?

...The effect of the safety tour is different at every mine, and a major factor is management's attitude.

The usefulness of the legislated right to accompany inspectors is clearly limited by the relative infrequency of such inspections. Hazardous industries may be inspected two or more times a

year and the less hazardous industries annually, but many workplaces will receive attention far less often. Further, while in some instances a follow-up on the correction of unsatisfactory conditions will include involvement of the workers' representative or the union, quite frequently the inspector deals solely with management.

Even where the idea of worker representatives is accepted, their role is not expected to be decisive

On a longer term basis, involvement of workers may be achieved through employer-worker joint safety committees. Until 1972 in Saskatchewan, and more recently elsewhere, these committees have been formed either on a voluntary basis or as a result of collective bargaining. They vary greatly in their role and their effectiveness. The Electrical Utilities Safety Association of Ontario, which encourages their development, sees them largely as an educational tool and as "excellent forums for good communication between management, supervisors and tradesmen through which there can be a free flow of information and suggestion in both directions."

Where they have developed as a result of collective bargaining, they are more likely to exercise some direct oversight on safety matters, but the extent of their influence will vary. The United Steelworkers, for example, giving evidence to the Ham Inquiry, reported good, bad and indifferent experience with joint committee arrangements, the outcome depending on such factors as general labour-management relationships, the extent of

management's concern for safety, and the economic position of the company. The Finn Inquiry (into Health and Safety in Grain Elevators) reported:

There appears to be wide variation in the success with which these committees have discharged their functions and in the attitude of management to their operation. The workers of the United Grain Growers elevator, in particular, described the attitude of management to the safety committee in very derogatory terms, stating that the union personnel on the committee were laughed at and their views denigrated...

The manager of the elevator in question denied any knowledge of

Hazardous industries may be inspected two or more times a year...but many workplaces will receive attention far less often

the existence of such an attitude and stated that if such existed it was not endorsed by him.

While many of these joint committee arrangements have been useful, the fact remains that as a system for participation it has obvious weaknesses. It operates only in a minority of workplaces, and even in those it will be highly dependent upon the goodwill of management or on the strength of the union. Few, if any, committees have real power, and if they fail to achieve healthy and safe condi-

tions through persuasion, there is little else the committees can do.

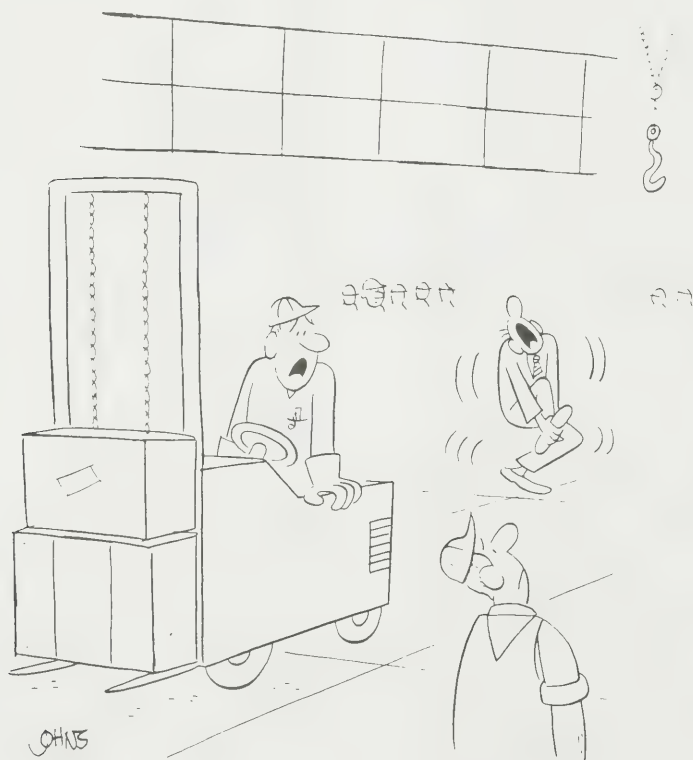
Faced with poor health and safety conditions and inadequate participatory arrangements, some unions have turned to collective bargaining as a solution of sorts. Many important safety advances have been achieved through this mechanism, but it too has definite disadvantages.

Only one third of Canadian workers are unionized, and although non-union workers in unionized firms will benefit from the safety provisions of a collective agreement, those in non-unionized companies have no access to this mechanism.

The union movement itself is by no means uniform in its attention to health and safety issues. Frank Chafe of the Canadian Labour Congress, writing in *Canadian Labour* in 1975 said: "In many parts of Canada, the dismal truth is that health and safety activity, if it exists at all, is at the bottom of union priorities." Many of the

Many of the smaller unions have neither the staff nor the resources to build up expertise in occupational health and safety

smaller unions have neither the staff nor the resources to build up expertise in occupational health and safety, and the serious lack of published data further compounds the situation. Larger unions, such as the United Steelworkers, the United Auto Workers, the Oil, Chemical and Atomic Workers, and the United Rubber Workers have acquired substantial expertise and given the issue high priority, but leadership from union headquarters is not enough. Much of



" THREE THOUSAND GUYS IN THIS PLANT AND I HAVE TO RUN OVER THE FOOT OF THE SAFETY DIRECTOR.!"

the direct action must be taken at the union local level, and the priorities of these locals and the extent of their knowledge of health and safety hazards will again vary.

Under the best of conditions, success at the bargaining table on health and safety issues may well be limited by management resistance, by threats of plant closure or displacement of workers by automation, or by the economic viability of the company and its competitive position.

However, the most serious issue in relation to the collective bargaining approach is whether health and safety should be regarded as an appropriate issue for bargaining at all rather than the *right* of every worker. Should health and safety be traded against wage increases, pensions or fringe benefits in the context of what the Ham Report called "the adamantly confrontational character of Canadian labour-management relationships?" Ham considered that "questions of health and safety are not suitable issues for collective bargaining." The United Steelworkers agree: "Bargaining involves compromise, and in the field of health and safety it seems wrong that workers should be forced to settle for less than the necessary protection."

Changes are taking place in Canada. The 1972 and 1977 Saskatchewan Occupational Health and Safety Acts, together with the practice of the Provincial Department of Labour's Division on Occupational Health and Safety, represent serious attempts to make worker participation a reality. First, joint employer-employee occupational health committees are mandatory in every place of employment at which 10 or more persons are employed, and at least half of the committee members must be employees not

The most serious issue...is whether health and safety should be regarded as an appropriate issue for bargaining rather than the right of every worker

connected with management. The committees are co-chaired by employer and employee representatives, either of whom may call a meeting. Thus the existence and functioning of the committee does not depend on the goodwill of management or the strength of the workers in negotiation.

Second, the duties of the committee are specified in the legislation. They cannot easily be relegated to the role of mere ritual, nor can their role vary in essentials from company to company.

Third, they have the legislated right to participate "in the identification and control of health and safety in the place of employment." The 1977 Act requires that the employer consult and co-operate with the committee on matters of health and safety at work. The legislation also protects those workers who are on the committee as well as those who complain to it, through fairly tough anti-discrimination clauses that safeguard wages and employment.

As a further support to the committees, the Division provides training programs for committee members designed to overcome inexperience and lack of confidence in their rights and duties and to teach them how to monitor hazards in the workplace.

Fourth, the committees have been built into the inspection and enforcement process. Not only can they complain to the Division

about health and safety matters they have been unable to resolve, but when an inspection takes place, the report of the inspector and his notices of contravention of health and safety provisions are provided to the committee. More important, the employer is required to report to the committee within a specified time on the progress made toward remedying the contravention.

The committees report regularly to the Division, usually on specially designed forms on which the minutes of the committee and requests for information and assistance are recorded. Data from these reports have been computerized giving the Division useful information on the functioning of the committees, on unresolved and emerging problems, and on changes to the law or regulations as well as on such changes in the Division's programs as may be required.

In Saskatchewan the right of the worker to refuse to do work which he has reasonable grounds for believing is unusually dangerous to his health and safety has been established

Finally, the right of the worker to refuse to do work which he has reasonable grounds for believing is unusually dangerous to his health and safety has been established with accompanying protection of the worker's job and wages.

This legislation, together with the Saskatchewan division's unashamed bias toward the right of the worker to enjoy safe and healthy working conditions and to have a strong say in controlling those conditions, goes a long way toward overcoming the weaknes-



"The price is high because it has to pay for the research for the drugs to be banned later to replace those banned today."

ses of earlier provisions for worker participation; however, the millenium has not been reached. Moreover, the necessity in 1977 to legislate the duty of employers to consult and co-operate suggests that harmony has not prevailed everywhere. No doubt not all of the committees are as effective as they could be. Workers in very small units are not as well protected as those in larger companies. However, Saskatchewan's leadership in establishing machinery for worker participation has been important, not only to that province but to Canada as a whole.

Four other provinces, Alberta, Manitoba, New Brunswick and Ontario have in 1976 and 1977 legislated for joint health and safety committees. Only in New

Brunswick are these mandatory — in employment units of 20 or more workers. Moreover, it is of interest to compare the Ontario Employees Health and Safety Act of 1976 with

As long as the present dearth of information on health and safety persists the exercise of the right to participate will be seriously handicapped

the Saskatchewan provisions. The Act (a short-term measure passed in December 1976 pending more comprehensive legislation), established two forms of worker participation; joint health and safety committees, and worker health and safety representatives.

In both cases a Ministerial directive is required to appoint them formally. The committees have power "to identify situations that may be a source of danger or hazard to employees" and a right to obtain information from the employer or others on potential or existing hazards. However, they can only recommend to the employer or employees programs, measures and procedures for health and safety. Also, while the health and safety representatives may inspect the workplace once a month and may accompany departmental inspectors on their visits, they may only recommend improvements and (with the committees and the workers) receive copies of the inspectors' reports. Thus, though the workers' right to refuse dangerous work is established, it is not as well protected as in Saskatchewan.

The element of the actual right of workers to participate is missing from the Ontario legislation. It depends on the exercise of Ministerial discretion. Further, the element of control is missing, and neither the committees nor the health and safety representatives have any part in the enforcement process. It looks uncommonly like the prescription as before — participation without significant power sharing.

As a final note, we return to an issue that arises again and again in the field of health and safety, namely that effective participation depends to a considerable extent on knowledge. As long as the present dearth of information on occupational health and safety persists in Canada, the exercise of the right to participate, even if it is established, will be seriously handicapped. [9]

A unionist's thoughts on national unity

by Ed Finn

The issue of national unity which has preoccupied most Canadians in recent years has also been a subject of much discussion and debate within the labour movement. And because the labour movement is as diversified and diffused as the country, with its members comprising a cross-section of the population, it is not surprising that we have within union ranks the same differences of opinion about the future of Confederation that we find among the general public.

We have union supporters of all the options and answers being proposed, from "renewed federalism" to "sovereignty-association," although they may be just as confused about what these terms really mean as everyone else seems to be. And these differing views flow from the same levels of knowledge and ignorance, of tolerance and prejudice, that characterize Canadian society as a whole.

There are, however, some distinctive aspects to labour's outlook on national unity — at least on the part of union leaders and rank-and-file activists — that are shaped by fundamental trade union beliefs. And these combine to produce a significantly more sympathetic approach to the aspirations of Quebec nationalists than would be found among other organizations and institutions.

One of the basic rights honoured by organized labour is "freedom of association," which in the union context means the right of workers to join the union of their choice.

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Conversely, it means the right of workers to *leave* a union by majority decision, which under our labour laws takes the form of a decertification vote. The members of a union are spread among several, and often hundreds of, bargaining units, so decertification votes are conducted on the same organizational basis, when a labour relations board is persuaded that secessionist sentiment is sufficient to warrant a plebiscite.

Canada, too, is a union. It would be stretching the analogy to describe the provinces and territories as bargaining units, although their relationship with Ottawa does involve a great deal of bargaining; but there is enough similarity with trade union structure to evoke the same kind of response from union members. It should be noted, too, that the reason workers decide to leave a union is because they are dissatisfied with the standard of service it provides, and sometimes because they feel that its constitution does not give them the same benefits that it confers on other sections of the membership.

...we have within union ranks the same differences of opinion about the future of Confederation that we find among the general public

They come to a conviction that they should transfer to another union, or, not uncommonly, that they would be better off to set themselves up as an independent organization.

I hasten to add that unionists do not like to see this kind of separation. It further divides and fragments an already divided labour movement. They would prefer to see an accommodation made, levels of servicing improved, so that the aggrieved members will decide to stay. But if, despite all such attempts to keep the union intact, a viable group of members insists on splitting away, their right to do so is not seriously challenged. Indeed, there is no way that the results of a decertification or representation vote could be legally defied.

Given this way of resolving "separatist" problems within trade unions, it is not surprising that there should be considerable support among union members — particularly the more active and militant ones — for the right of the people of Quebec to decide their own destiny. The term most often used to define that right is "self-determination." It is not, in my view, an appropriate term for trade unionists to employ, especially when it is left unqualified by geography, size, or numbers. It could be construed to mean that any economic, cultural, social, or localized group should have the right to determine its own political system — or even that each individual should have that right. This is not only a recipe for anarchy, but it runs counter to

another basic union principle — that of unity, solidarity, and collective action.

The right of Quebecers to “self-determination,” however it may be defined, has nevertheless been endorsed at several important union conventions in the past year or so. To some extent this has resulted from pressure generated by these unions’ Quebec delegates, but it also reflects a widely held view among English-speaking unionists that, whatever Quebec’s future is to be, it has to be decided primarily, if not exclusively, by the people of Quebec themselves. It cannot be imposed on them from outside that province. Even the most ardent federalists among Anglophone labour leaders would regard any use of force to oppose the majority wishes of Quebecers as abhorrent and unthinkable.

Union federalists are concerned that when the time comes for Quebecers to choose between Confederation and independence, or (conceivably) something in between, their decision should be made in full knowledge of the facts, and that the pros and cons should first be thoroughly discussed and understood. But they are also convinced that the federalist case has to be argued by Quebecers, and won or lost by them, not by English Canadians from outside Quebec. Nevertheless, what happens to Quebec will affect all Canadians and we all have a right to get involved in any debate over whether or how the country can be held together.

I am very much aware — as most union members are — that the separatist feeling in Quebec is rooted principally in linguistic and cultural soil, rather than in economics. We hear much about the exploitation of Quebecers by their Anglophone “overlords,”

about the lack of opportunity for Francophones in the business world, about the favouritism shown to Ontario over Quebec by the federal government and multinational corporations, about the high rate of unemployment in Quebec as compared with some other provinces.

These are all valid complaints, but not of such overriding intensity that they would fuel a desire to separate from Canada. They all are susceptible to correction within the framework of Confederation, and in fact the present government of Quebec has enacted legislation that will go a long way toward correcting those that are rooted in racial discrimination.

If most French-speaking Quebecers still hold back from taking the plunge into independence, it is not because they have faith that federalism in any form can accommodate and satisfy them...

But in terms of economic disparity, other regions of Canada, notably the Atlantic provinces and parts of the Prairies, have even more grounds for dissatisfaction than does Quebec. Unemployment and living costs are both higher in the Maritimes and Newfoundland, per capita income is lower, and industrial development harder to achieve. Indeed, when I visited Newfoundland last November, I heard more grumbling about the inequalities that the present form of Confederation imposes on that province than I have heard when visiting Montreal or Quebec City. There are, in short, provinces other than Quebec whose residents very much want reforms that will give them a better deal.

The key word, of course, is “reform.” While there are a few vocal separatists in the Atlantic region and the western provinces, they are a small and largely ignored minority. Most Canadians outside Quebec are committed to the Canadian nation, look upon themselves as Canadians first and Nova Scotians, Ontarians and Manitobans second, and are therefore inclined to look for improvements in the federalist system rather than a withdrawal from the system as the answer to their grievances. I am not saying that the majority of Quebecers would vote today to pull out of Canada. If we are to credit the public opinion polls, the separatist option still commands less than 30 per cent of voting strength within Quebec. But that is not the same as a positive vote for federalism. We Anglophones delude ourselves if we take much comfort from such polls. If a poll were taken of Francophone Quebecers asking if they believed the Canadian Constitution could be amended in a way that would satisfy all their cultural and linguistic aspirations, as well as their purely economic wants, I very much doubt if the majority result would be affirmative. If most French-speaking Quebecers still hold back from taking the plunge into independence, it is not because they have faith that federalism in any form can accommodate and satisfy them; it is because they are not yet convinced that the advantages of separation — of being *maîtres chez nous* — outweigh the disadvantages. But that could change. Those who preach secession or sovereignty, under whatever name, are among the opinion moulders of Quebec society — the teachers, the writers, the journalists, the artists, the students. And they are growing more and more influential.

Whether my assessment is pessimistic or realistic, it stems in part

from my observation of what has happened, and is still happening, within the Canadian labour movement, which is (among other things) a mirror of our society and our federal structure. We have a national labour centre, the Canadian Labour Congress, which has ten provincial federations, and a hundred or more affiliated national and international unions, most of which also have members in all ten provinces. But the state of labour affairs in Quebec differs sharply from that in the rest of the country.

Some unions, including my own, have always recognized the "French fact," and have from the beginning provided bilingual servicing, publications, simultaneous translation at conventions, and proportionate representation in elected offices and full-time staff. Other unions, regrettably, have been much less conscientious in bilingualizing their services and procedures, and have had to be pressured into it by their Quebec sections, often by threat of secession.

In the long run, however, it doesn't seem to matter whether a union has done all it can to make its Quebec members feel at home or not. If it remains predominantly English Canadian or American, it is not viewed by most Quebec workers as one they can feel comfortable in — at least, not without having much more autonomy than is enjoyed by the union's components outside Quebec.

Significantly, Quebec is the only province with its own major labour centre, the Confederation of National Trade Unions, along with another central organization that split off from the CNTU a few years ago. Even more significant, the Quebec Federation of Labour, the CLC's official Quebec branch, has achieved so much autonomy

...the state of labour affairs in Quebec differs sharply from that in the rest of the country

that its connection with the CLC could be described as a form of "sovereignty-association." It certainly is not a provincial federation "comme les autres" in the CLC family. Unlike the others, it pretty well runs its own programs, adopts its own policies, and treats the CLC as a friendly foreign power rather than as its supervisory body.

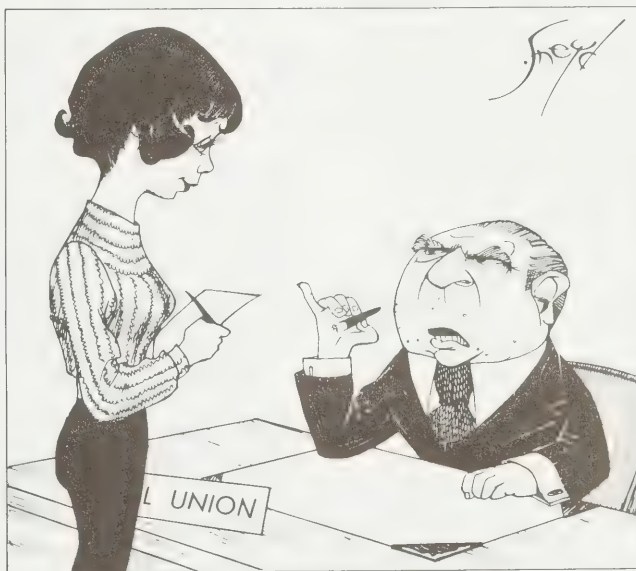
Similarly, many of the Quebec branches of national and international unions have wrested a great deal more control from their head offices than have their counterparts in other provinces. It would perhaps be an exaggeration to describe their special status as "self-governing," but it is clear that, in terms of their operations within Quebec and the policies they adopt and follow, they are free to go their own way without serious interference or objection from their top officers outside Quebec. This may not be true of

all the unions, particularly the smaller ones or those whose members in Quebec are comparatively small sections of national certifications and agreements. But it is true of a considerable number of the larger labour organizations.

Most disturbing of all is the trend toward splitting unions and national bargaining units along linguistic lines. The Quebec members of the air traffic controllers' and pilots' unions have applied for the right to leave and establish their own unions in Quebec. The CNTU is busy raiding the Quebec members of some components of the Public Service Alliance of Canada, which represents federal civil servants, and is on the verge of applying for certification on their behalf to replace the existing national union.

The French-speaking members of the CBC's production staff, of course, have already succeeded in splitting away from the Canadian Union of Public Employees, after successfully applying to the Canada Labour Relations Board for decertification. The reasons for the

Toronto Star Syndicate



"Miss Smith, take an ultimatum!"

board's decision to split a national bargaining unit into Francophone and Anglophone unions are extremely interesting to study. The main reason was that the CBC itself had already created a separate French-service division, which CBC hostess Barbara Frum correctly described as "a perfect prototype, a working model of a divided Canada." The CLRB, citing this administrative division, reasoned that if Quebec was to have a separate broadcasting service, the Quebec employees of that service might as well have a separate union.

Such a rationale, applied to the broader English-French issue, would lead to de facto independence for Quebec, and this seems to be the direction in which we are heading — the disconnection, link by link, institution by institution, of all the organizational bonds that tie Quebec to the rest of Canada.

It is depressing, too, to read in the CLRB's report of the inability of CUPE's English and French CBC locals to co-exist amicably in the same union. The Montreal local's separatist tactics disrupted the operations of the union's broadcast section to the point of chaos. The Toronto and Ottawa locals were so disgusted with their Montreal confrères that their top officers appeared before the CLRB to support the Quebec local's breakaway bid. The Ottawa local called the Montreal members' obstructive tactics "a disaster for CBC production employees," and an officer of the Toronto local declared that "for the sake of sanity we have no choice but to support the application for separation."

Transmitting this attitude to the national level, we see it manifested by those English Canadians whose reaction to the threat of Quebec's departure is "let them go — and good riddance."

The whole episode is discouraging to those of us who believe in a united labour movement in a united Canada. The labour relations system we have developed is a microcosm of our political and constitutional structures. It is a testing ground for determining whether English and French Canadians can belong to the same organizations and make them work to the satisfaction and benefit of both.

What is happening in the labour relations field...is setting precedents and patterns that weaken our federal system rather than strengthen it

Keep in mind that Quebec's union separatists — like their political counterparts — are not seeking an improved relationship with their parent organizations. They would not be content with better servicing in their own language, or with greater recognition and respect for their cultural dissimilarity. They demand nothing short of full independence.

Quebec as a province and as a distinctive cultural region has solid grounds for wishing to renegotiate its "contract" with the federal government. The Maritimes and the West, economically if not culturally, also can justify their demands for a more equitable federalism. Those of us who are federalists are in favour of making whatever reasonable concessions are required to avoid breaking up the country — concessions to all provinces and regions with legitimate grievances, and special concessions to Quebec to help preserve its language and culture and to enable Quebecers to feel more at home in all parts of Canada.

What is happening in the labour relations field, however, is setting

precedents and patterns that weaken our federal system rather than strengthen it. If, as federalists, we do not regard separatism as a desirable way to satisfy Quebec's cultural aspirations, then to be consistent, if nothing else, we should not consider it a suitable response to the dissatisfaction of Quebec members of national unions and bargaining units. If they have well-founded grievances — and I think many of them have — there are avenues within trade unions, and labour board procedures for correcting them. If these are inadequate, legislation could be passed to compel all unions to recognize and meet the special needs of their Quebec members. It is one thing to agree, as most unionists do, with the principle of "self-determination," for Quebec, but quite another to set examples that would encourage that right to be exercised in a way that would divide the country.

If we are right to argue that, at the political level, English and French Canadians should resolve their differences within Confederation, we should take the same approach to separatism at the union level; but we are not. Even some federal politicians have expressed approval of splitting national bargaining units into French and English Canadian pieces, and proposed changes to the Public Service Staff Relations Act would enable the Quebec sections of pan-Canadian unions to do just that.

The implications of such a split, however, go far beyond the area of labour relations, and threaten more than the unity of the labour movement. For if members of our two founding races cannot live harmoniously in the same unions, we have to wonder how much longer they can co-exist in the same country. [g]

Industrial democracy in Europe and its relevance for Canada: a critical review

by Robert J. Davies

As is well-known, the pressures for the extension of democratic principles to the industrial sphere that emerged in Europe after the Second World War resulted in almost all countries in the creation of *works councils* as the primary institutional device for furthering worker participation. In Belgium, France, the Netherlands and Scandinavia these took the form of joint labour-management bodies, while in Austria and Germany they were composed entirely of worker representatives.

Despite these differences in composition however, their purpose was broadly the same, to act as intermediate bodies between management and workers at the plant level, with a view to furthering the climate of mutual trust and good will between the two sides of industry that had emerged in response to war-time conditions. Accordingly the works councils were charged with three broad participatory functions: (1) to promote the exchange of information between management and workers (*communication*); (2) to act as advisory bodies to management on a variety of matters (*consultation*); (3) more recently, to share in certain management functions (*co-determination*).

In principle, therefore, the operation of the workers' councils, with the notable exception of those in Sweden where they have been primarily advisory, has effectively spanned much of the spectrum of forms of participation from communication to co-deter-

mination. Given this fact, it has been suggested that the most practical way of ascertaining the *actual* degree of influence exerted by workers on the decision-making process in any given country is to examine the *nature* and *scope* of the decisions that are subject to the various forms of participation, rather than to merely consider the institutional basis of that participation.

As far as European works councils are concerned, the pattern that has emerged in this respect has been a fairly common one. In the sphere of communication, for example, managements have generally been under some obligation to provide councils with relevant information on matters such as productivity performance, the financial and profit position of the firm, and its

There has invariably been a gulf between the theoretical and actual functioning of works councils in Europe

future prospects; while consultation has tended to be concentrated primarily on matters relating to the overall structure and functions of the enterprise, including its organization, the planning of its production, decisions on relocation or curtailment of operations, and mergers. As far as co-determination is concerned, activity has been largely confined to the areas of welfare policy, training, and safety; although in Germany recent legislation has extended co-deter-

mination rights to include the question of layoffs and dismissals.

Before any firm conclusions are drawn about the effectiveness of the works councils as instruments for promoting participation, however, it is important to emphasize that there has invariably been a gulf between their theoretical and their actual functioning. Indeed, only in Germany and Austria is their performance considered to have been broadly satisfactory. Consequently, in the two and a half decades that have passed since their introduction they have been the subject of significant and on-going reform and amendment, a fact that reflects a common trend of dissatisfaction with many aspects of their performance.

In the late 1960s for example, a variety of important revisions were made to works council legislation in France, Belgium and the Netherlands, while in Denmark and Sweden the same trends were expressed in the renegotiation of works council agreements.

The reasons for this widespread dissatisfaction were broadly similar. In the first place the operation of the councils had come to be left largely to the initiative and discretion of the employers, who in practice seldom saw fit to provide workers' representatives with the information they required to perform effectively. Moreover, consultation all too frequently became a mere formality, with the main function

of the councils being to provide a means through which management could convey unpopular decisions to workers after they had already been made. Perhaps of greatest importance, however, was the fact that the unions increasingly came to view the works councils as a potential means by which management could prevent them from obtaining a significant presence at plant level and thus of frustrating the growth of their power within the enterprise.

Despite these failings, it was generally agreed in all the countries concerned that the works councils were still a basically sound institution. Accordingly, reform was largely directed toward closing the gap that had developed between their theoretical potential as instruments of participation, and their actual performance. In particular, increased stress was placed on the need for management to make available relevant information relating to the financial and economic situation of the enterprise *in advance* of the act of decision making, as well as on defining more clearly the role of the councils, and extending the range of their co-determination functions.

Perhaps of most significance, however, were the attempts that were made to overcome union distrust by actively recruiting the latter's participation in the life of the councils. In Sweden, for example, where the essential role of the unions has always been recognized, and where this role is explicitly acknowledged in the definition of works councils as, "organs for information and consultation between management and the workforce *through their trade union*," an agreement reached in 1966 vested authority for the establishment of works council election rules with local unions. Moreover, the agreement

In the absence of a viable trade union presence works councils fulfilled the obvious need for some form of worker representation at the enterprise or plant level

also made provision for the chairmen of union locals to become ex officio members of the plant councils, a move calculated to further promote the *formal* integration of these councils with the trade unions. However, even these reforms were not considered sufficient by Swedish unions, and pressure continued for further reform. Indeed, in Europe generally the relationship between the trade unions and the works councils remains one of the central issues of concern.

Pressure for reform to secure the extension of participation has also been evident in the area of boardroom representation. Between 1972 and 1974, for example, legislation introducing minority worker representation at board level was passed in Norway, Sweden, Denmark, Luxembourg, the Netherlands and Austria; while in Germany, where the principle of boardroom co-determination was originally established in the coal and steel industries in 1952, legislation passed in 1976 extended the right of 'parity' representation to all companies with more than 2,000 employees. In the latter case, however, the inclusion of company executives under the legislation as 'worker' representatives, meant that these reforms fell somewhat short of the full co-determination that had been demanded by German unions.

Despite this continuing trend toward increased worker representation at board level, severe doubts remain about certain aspects of its

operation. In particular, widespread concern has been expressed over such issues as the development of role conflict amongst worker representatives who on the one hand are required to take an active part in managerial functions, but who must at the same time seek to maintain effective links, as well as a high degree of credibility, with their constituents. In addition, much controversy has surrounded the role of the trade unions in relation to the operation of a system of boardroom representation, especially with regard to the election of worker representatives; an issue which, incidentally, figured prominently in the discussions which followed the publication of the Bullock committee

Despite the continuing trend toward increased worker representation at board level, severe doubts remain about certain aspects of its operation

report on industrial democracy in Britain. Indeed with regard to the general issue of the effectiveness of worker representation as an instrument of participation, in the sense of promoting genuine co-determination rather than mere consultation, a report prepared for the Bullock committee concluded, on the basis of a survey of the European experience, that, "it would be most unwise to see worker directors as anything more than a marginal contribution to industrial democracy."

In the light of this conclusion, as well as the dissatisfaction that has been expressed over the functioning of works councils, it is perhaps of some significance that many observers of the European scene are now pointing toward several developments currently taking place in the area of collective bargaining as being of potentially

greater significance for the achievement of industrial democracy.

In Sweden, for example, recent legislation has placed a considerable amount of emphasis on the extension of trade union collective bargaining rights as a means of promoting co-determination in areas affecting employee security, including matters such as discipline and redundancy. Similarly in Italy, where industrial relations has historically been characterized as "an uncoordinated, multi-tiered system, ranging from what are virtually political negotiations with the government at the top to informal bargaining by workers' delegates at the bottom," collective bargaining has increasingly come to dominate the industrial scene since the late 1960s, and has thus become the main instrument of workers' participation in that country. Indeed, even in Germany, where boardroom representation has the longest history and where the performance of works councils is generally considered to have been the most

...several developments currently taking place in the area of collective bargaining are seen as being of potentially greater significance for the achievement of industrial democracy

satisfactory, growing worker dissatisfaction with existing representative arrangements has led to pressure for increased union recognition at plant level, including the recognition of shop stewards, a development that is clearly likely to increase the scope for the continued evolution of enterprise-level bargaining.

This increased emphasis on collective bargaining as a means of promoting 'participation' helps illustrate the fallacy involved in linking the concept too closely with the existence of special institutional machinery for regularizing worker-management relations. What is of primary importance, of course, is not the

mere existence of additional institutions, but rather the extent to which workers are normally able to exert an influence on the decision-making process within the enterprise.

In practice, collective bargaining may prove just as effective in promoting worker participation as institutions such as works councils or worker directors. Indeed, by bargaining with employers, workers acting through their unions may potentially take part in many industrial decisions, and thus by gradually enlarging the scope of collective bargaining, and thereby shrinking the area of management prerogative, workers may be able to achieve a substantial degree of effective influence.

As with other institutions for furthering participation, however, collective bargaining has its limitations. In the first place participation through this channel may be limited by the fact that bargaining frequently takes place only at discrete intervals, thus making it inappropriate as a device for providing a rapid and direct response to a variety of day-to-day problems. Also, a wide variety of issues are traditionally excluded from the scope of bargaining, while those that are included tend to be defined largely in terms of their pecuniary implications, a fact which effectively excludes a variety of broader social issues from active consideration. Perhaps of most importance, however, is the fact that the use of collective bargaining as the *sole* means of providing increased participation begs the whole question of the extent to which trade unions actually represent the labour force, as well as the thorny issue of the degree of internal democracy of the unions themselves; an issue which in turn includes such matters as the degree of concentration or bureaucratization of



"I think we finally bridged the generation gap - we're both out of work."

unions, the proximity of bargaining to the place of work, and the degree of active rank-and-file participation in union activities.

Even though many of these shortcomings are not basic to the collective bargaining process itself, and could therefore potentially be overcome by such means as the evolution of continuous bargaining, as well as the extension of its scope, they nevertheless illustrate a number of important limitations associated with the use of collective bargaining as the sole process of worker participation.

In both Canada and the U.S. the range of items included in collective agreements has increased steadily over the postwar period

One obvious point that emerges from this brief review of the European experience is the fact that pressures for increased participation within the enterprise resulted in almost all cases, in the creation of additional representative bodies such as works councils, and later in the institution of worker representation at board level. This pattern differs significantly from that followed in both North America and Britain where participation was typically pursued via the extension of the scope of collective bargaining. In both Canada and the U.S., for example, the range of items included in collective agreements increased steadily over the postwar period, with issues such as union security, improved safety, training, productivity performance, and in some cases even investment policy being added to such traditional concerns as wage rates, hours of work and employment conditions. Moreover, in addition to extensions in its scope,

collective bargaining also evolved into a more continuous process, a development that undoubtedly received a powerful stimulus from pressures created by the rapid pace of technological change that characterized the North American industrial scene. In postwar Britain also collective bargaining became the pre-eminent vehicle for pursuing participation, a development which went hand in hand with the displacement by the shop stewards movement of the works councils and works committees that had emerged to meet the needs of wartime conditions.

This contrast between the experience of most European countries and that of North America and Britain raises the important question of why participation should have been extended through the emergence of different institutional forms in different countries. Ultimately, of course, the form that participation takes must grow from the intrinsic historic, economic, social and political traditions of the country concerned. However, this fact notwithstanding, certain common factors appear to have been involved in prompting the various responses that have been observed.

One important factor in accounting for these differences has undoubtedly been the existence of inter-country variations in the level at which collective bargaining has typically been conducted. In particular, where bargaining normally takes place at a level far removed from that of the shop-floor, then a participatory vacuum is created within the enterprise that is likely to generate the need for supplementary institutions of indirect participation. In Europe, for example, where centralized bargaining has predominated, joint regulation has been effectively confined to those concerns that are common to all undertakings,

Collective bargaining is inappropriate to the task of providing the degree of direct worker involvement necessary to promote the personal fulfilment of the average worker

omitting the variety of day-to-day issues that are peculiar to the individual plant. For the unions to have been in a position to fill this vacuum and thereby exercise effective control over such issues they would clearly have had to decentralize collective bargaining. Historically, however, European unions have generally been weak at the plant level, a situation that has undoubtedly been perpetuated by the strong and on-going resistance raised by employers to union attempts to establish a more viable presence within the enterprise. Moreover, the highly centralized bureaucratic structure that developed as a consequence of the organization-to-organization relationship appropriate to centralized bargaining also made the European unions rather remote from the average shop-floor worker, thereby placing an additional barrier in the way of their becoming an effective channel of participation at the enterprise level.

This situation stands in marked contrast to that which pertained in North America and postwar Britain where, at least in the private sector, decentralized plant level bargaining has predominated. Moreover, the unions in these countries generally retained much closer links with their rank-and-file membership, placing them in a much better position to provide an effective participatory channel within the enterprise through the established machinery of collective bargaining. Given this institutional background the need for

additional representative institutions was clearly much less pronounced.

However, even though this reliance on collective bargaining has been both an eminently natural institutional response, as well as a potentially effective means of furthering power-sharing within the North American context, the fact remains that dissatisfaction with its relative performance as the sole means of furthering participation has become increasingly widespread. While several of its limitations have already been referred to, in the Canadian context two additional observations are in order.

Firstly, concern has been expressed over the possibility that collective bargaining in this country is already overburdened, a fact that is seen to cast some doubt on its ability to absorb the wider range of issues appropriate to the further extension of participation.

Secondly, collective bargaining has come to be associated with the existence of an adversary climate in industrial relations, wherein its primary preoccupation is seen to be with the extraction of concessions and with those issues that divide rather than those that unite the respective parties.

Thus, even if the scope of collective bargaining could be readily extended, it is argued that it would still be inappropriate to the task of achieving one desired end of increased participation, namely that of promoting effective co-operation between all members of the enterprise in the interests of industrial peace and, hopefully, also productive efficiency. Moreover, it should also be emphasized that along with other forms of indirect or representative democracy, such as works councils and

board representation, collective bargaining is similarly inappropriate to the task of providing the degree of *direct* worker involvement necessary to promote the personal fulfilment of the average shop-floor or office worker, a requirement that has always been an important element in the advocacy of increased participation in Canada.

The advocacy of works councils for Canada begs the question of whether the existence of such co-operative labour-management bodies are the cause, or merely the consequence of labour-management co-operation

These observations would seem to lend support to the view that different institutional forms of participation may, in fact, have their own distinct functions. Thus it may be argued that while collective bargaining is appropriate to the promotion of effective power sharing, alternative forms of indirect representation such as works councils and boardroom representation are more appropriate to the exploration of common problems on a mutually co-operative basis, while both forms must necessarily be supplemented by some form of *direct* participation if the goal of worker fulfilment is to be successfully achieved.

In fact, it is this view that appears to have informed the advocacy of works councils in Canada as a possible corollary to collective bargaining, and as a means of facilitating a process of continuous negotiation and consultation which would, it is hoped, be instrumental in reducing the current level of industrial

conflict. However, such advocacy clearly begs the question of whether the existence of co-operative labour-management bodies such as works councils is itself the cause, or merely the consequence of labour-management co-operation. Indeed to suggest that co-operation could be achieved simply by replicating such institutions is self-evidently naive.

Even suspending judgment on this issue, however, still leaves open the question of whether the institutions associated with the various forms of participation are likely to be mutually compatible in a Canadian context. In this connection the European experience is again instructive, not least because of the diversity of institutional forms of participation that already exist on that continent. Thus as far as works councils and collective bargaining are concerned the relationship between the unions and the works councils has, as we have already observed, generally been an uneasy one. Moreover this situation has become even more acute as the unions have strengthened their presence at plant level. As far as Canada is concerned, therefore, the existence of an already strong union presence at plant level would seem to suggest that any attempt to introduce works councils as a rival channel within the enterprise would be met with strong resistance and would therefore be unlikely to promote effective co-operation. Indeed, even in those sectors of the economy where unionization is relatively weak it seems likely that the introduction of such institutions, though potentially constituting a means of affording better protection to unorganized workers, would nevertheless be construed by the unions as a device designed to undermine their position as potential



"...in sickness and in health, through prosperity and recession."

representatives of the unorganized worker.

In the case of boardroom representation, the evidence from Europe points more toward the possibility of satisfactory co-existence with collective bargaining. Indeed, this conclusion gains further support from the British experience where a significant section of the trade union movement has been converted to the principle of boardroom representation as a necessary adjunct to collective bargaining. The key to the latter's conversion is undoubtedly partly associated with the fact that the form of representation supported is one that at the very least involves the effective consolidation of existing union power, if not its actual extension. Thus the lesson for Canada would seem to be that only when proposals for board-

room representation are not construed by the unions as constituting a potential threat to their existing power are they likely to be acceptable. However, such a stipu-

The type of participation with the best immediate prospect for success is probably some form of QWL scheme or some other variant of direct participation

lation is clearly likely to place severe constraints on the form that such participation might take. Moreover, insofar as these constraints are acceptable as a means of safeguarding or even extending union power they are unlikely to endear themselves to employers.

This point effectively highlights the dilemma involved in any attempt to supplement existing forms of participation. For only if both sides are firmly convinced that their relative positions will not be adversely affected is voluntary agreement likely to be possible. Given this fact, the type of participation with the best immediate prospect for success is probably some form of quality-of-working-life scheme or some other variant of *direct* participation, simply because such forms involve less of a challenge to established managerial prerogatives or existing union power.

To summarize, it appears that, in the foreseeable future at least, the further extension of indirect or representative participation in Canada is likely to be confined to the existing channels of collective bargaining. Indeed, in the absence of legislative intervention — which would in any event be unwise in the existing climate — such supplementary forms of indirect participation as boardroom representation, even though potentially compatible with collective bargaining, are unlikely to emerge as a voluntary response to democratic pressures, at least until such innovations are perceived by both sides of industry to be a means of potentially furthering their respective interests. However, at present such perceptions appear to be a rather distant prospect. [9]

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Humanization of work: a European perspective

On the European scene, it is generally not considered enough to institute programs to "humanize" work or working life while leaving the basic authority structure of the enterprise largely unchanged. Rather, it is considered that if job redesign is to be effective, it must also involve direct worker participation, including the sharing of responsibility for common tasks and the provision of realistic scope for influencing the work situation and its outcomes.

To some extent, in fact, the label "humanization of work" may be seen as a temporary compromise reached between those who want to preserve the existing structure of authority within industry, and those who want to bring about a more radical transformation in this structure. The more comprehensive term "shop-floor democracy" is, perhaps, a more adequate label for the developments that are currently taking place. Moreover, it is also worth noting that in recent years there seems to have been a fusion between *formal* representative democracy (such as board-room representation and works councils) and shop-floor or office democracy (which includes both worker co-ordination or control of work and changes in work organization).

These developments have gained stimulus from several quarters. The unions, for their part, are broadening their area of concern to include terms of employment other than the basic bread and butter issues, while governmental concern about the quality of

working life is also becoming increasingly evident in more European countries. Thus, official bodies are being established to study work methods and reforms and to disseminate information, while the European community (EEC) has set up the "European Foundation for the Improvement of Living and Working Conditions" with the aim of promoting research and facilitating communication in the field. In addition, laws on the work environment, co-determination and works councils are being used in various countries as skeleton legal instruments to bring about change in job design, work organization and the basic structure of authority in the workplace.

In Europe it is not considered enough to institute programs to humanize work while leaving the basic authority structure of the enterprise largely unchanged

Turning to the experience of individual countries, in **Italy** the issue of shop-floor democracy has been an important feature in recent union negotiations with management. In particular, following the wave of strikes in the "hot autumn" of 1969 some unions negotiated contracts directed toward the elimination or modification of excessively monotonous and repetitive jobs. Moreover, since then, they have also come out in favour of more specific forms of "job enrichment" (expanding jobs to allow the exercise of more judgement and skill), and work

methods based on teams. In addition, they have been stressing the need to provide learning opportunities on the job, as well as pressing management to institute policies for upgrading the skills of workers. Indeed, Italian unions have been exceptional in the vigour with which they have pursued the issues of job restructuring and work reorganization. As a result of their efforts, a variety of contracts incorporating this type of provision have been signed since 1971 with a number of companies, including such large concerns as Fiat and Olivetti.

In **France**, there has also been a steady evolution toward a commitment to a more democratic work environment since the worker-student revolts of May 1968. Some leading French companies such as BSN (the glass and food conglomerate), and Renault, for example, have tried to reduce the fragmentation of work and have sought to develop solutions to the problems of job-monotony through the organization of workers into groups possessing varying degrees of autonomy. In addition, the employers' confederation, CMPE, has been negotiating with the unions on changes in working conditions, while the government, for its part, has enacted a variety of laws bearing on the issue and has established a national agency charged with the responsibility of promoting improvement in working conditions.

In contrast to the attitudes of the unions in Italy toward work restructuring, however, those in France have been much less posi-

tive. A fairly common argument put forward by the largest union confederations — the communist-dominated CGT and the leftist CFDT — is that shop-floor democracy is something that cannot be realized under the capitalistic system. Indeed, they have also argued that job reforms of the kind that have been instituted in some French companies, as well as in other Western European countries, have been purely “*individualistic*” in their orientation and as such have done little to meet the workers’ *collective* needs.

However, in spite of such attitudes of confrontation expressed by central union officials, at a level closer to that of the shop-floor — where ideological concerns must frequently take second place to more practical day to day considerations — local union representatives are showing an increasing willingness to take part in work restructuring schemes.

In **Britain**, progress in the field of work reorganization has been slow, at least since the late 1960s, a fact that may partly reflect the suspicion felt by many shop stewards toward such schemes. In addition, mention must be made of the difficulties involved in reaching co-operation between the many different unions frequently represented within the same company. In those situations where changes in work organization have been effected they have generally been an adjunct to the practice of productivity bargaining. This was the case, for example, with ICI.

Efforts have recently been made however, by the government, both through the provision of research funds to stimulate innovation and through the dissemination of research results on job restructuring experiments. In 1974, for example, a ‘Work Research Unit’

Governmental concern about the quality of working life is becoming increasingly evident in most European countries

was established within the Department of Employment. Also of interest has been the action of some multinational companies in promoting a variety of reforms in the field of work organization at their British subsidiaries — reforms which have apparently stimulated a growing interest in the matter.

In **Germany**, where experience with various forms of indirect or representative democracy has been extensive, a government-sponsored action program of “research on the humanization of work” was announced in 1974. Under the program, companies are invited to submit proposals for work reorganization projects with part of the cost of those deemed suitable being met by the government. In the first three years of its operation, the program has been used to sponsor projects covering a wide variety of matters. Many of these have been directed primarily toward improving the physical work environment by eliminating such things as noise, dust and so on; others, however, have focussed more directly on the fundamental issue of job redesign and work reorganization.

The interest that has been expressed in these schemes by the unions has served to illustrate that their commitment to change is not merely confined to a narrowly defined form of work reorganization, but also extends to more basic reform of the authority structure of the enterprise. Accordingly, union officials have on several occasions expressed the view that humanization of work

is not acceptable without co-determination.

In **Norway**, often considered the birthplace of work humanization schemes, a series of projects aimed at breaking up traditional management structures and decentralizing authority was launched jointly in the early 1960s by the Central Union Confederation and the Employers Confederation. The aim of these projects was to build work organizations based upon small groups performing common tasks, with each group being responsible for the assignment of work between its members, the planning of work to meet production schedules and the performance of a variety of maintenance, checking, and quality control tasks.

These developments in Norway were partly responsible for triggering a variety of similar experiments in **Sweden**, and as a result, a great many Swedish workplaces have been the subject of reform in recent years. In fact, in many ways the Scandinavian countries have served as a sort of experimental workshop in the field of work reorganization, with an enormous number of visitors from abroad taking sightseeing tours of the relatively abundant landscape of innovations in the area.

Amongst the most popular, and certainly the most familiar of these innovations, have been the Swedish Saab-Scania experiments with the group assembly of auto-engines, and those at Volvo’s Kalmar plant, where the traditional assembly-line in car production has been totally abandoned.

As far as the Volvo experiment at Kalmar is concerned, the important basic idea in the production technology is that groups of workers, organized in teams, each with its own small workshop

within the larger plant, should provide the basic building block of the work organization. It is also considered that each team should be accountable for its own part of the assembly work (i.e., one complete function of the car, such as the electrical system), and should be able to decide on the internal division of work within the group and also, to a certain extent, on its working methods. In the words of Pehr Gyllenhammar, President of Volvo, the objective at Kalmar is, "to organize automobile production in such a way that employees can find meaning and satisfaction in their work." With this objective in mind, the Kalmar plant has aimed at providing employees with the opportunity, through the work-group system, to communicate freely, to shift among work assignments, to vary their pace, to identify themselves with the product, to be conscious and responsible for quality, and to influence their own work environment — all without prejudicing either efficiency or financial performance.

In many ways the Scandinavian countries have served as a sort of experimental workshop in the field of work reorganization

The use of a group-centered form of work organization also produced a variety of important spin-offs, firstly by stimulating the architects to design a star-shaped factory building — thereby allowing each team to have its own production area — and secondly by acting as a catalyst in producing significant innovations in the field of assembly-line technology. In particular, a new carrier has been developed that enables assembly to be carried out on stationary cars, an innovation that represents an extremely important departure from conventional moving fixed-pace assembly techniques. Moreover, the carrier is designed so that it can be easily tilted by 90 degrees in order to provide a more comfortable working position

when components are being assembled on the under-part of the car.

Within the plant there are about 30 work groups each with 15-20 members. Moreover, in addition to having its own working area, each also has its own personnel facilities and collective production assignment and thus forms, in effect, a small factory within a factory. From the very beginning of the plant's operation a strong team spirit or sense of community came into being, and the new form of work organization has been very positively accepted by both production workers and white-collar workers. The various work conditions, as well as solutions to problems that may arise, are all discussed and decided upon within the teams. Inevitably differences of opinion do arise, but these do not usually present any insurmountable difficulties, and for the most part a satisfactory majority decision is possible.

In some instances it has happened that team members have not felt completely at ease within the teams, or conversely, that teams have not fully accepted a member. In these cases the company has usually been sensitive to such interpersonal problems and either at the request of the individuals or of the teams transfers have been arranged. Also in the area of team composition and interpersonal relationships, there has been a fairly general consensus that it is important for at least two women to be included in the team. This consensus seems to have arisen, at least in part, from the fact that mixed-sex teams have developed a completely different character to that of all male teams, being both more stable and promoting a different and more effective form of co-operation. It is also felt that teams with a wide age spread function more effectively.

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"How can they get energy from the sun? Whenever I lie out in the sun, I get sleepy."

Supervisors and industrial engineers are not included in the team. Instead they work in pairs and, for the most part, are responsible for about three of the work teams. However, in comparison with traditional car factories, a relatively high percentage of decisions is left to the individual team. For this reason there are more opportunities for employees to influence their work situation in Kalmar than is usual in car assembly plants. This is especially true of the division of work between team members, the arrangement of work in the assembly areas, and working

Mixed-sex teams have developed a completely different character to that of all male teams, being more stable and promoting a more effective form of co-operation

ahead either to extend or obtain extra breaks (something that is usually frowned upon on conventional lines and is considered to indicate the existence of scope for speeding up the line). This flexibility is made possible by the existence of longer work cycles, the delegation of certain decisions on working methods to the workers themselves, and the 'buffers' and 'carrier' system which fixes the work rhythm less rigidly than conventional assembly-line techniques.

This does not mean, however, that there is unlimited freedom of movement and action at Kalmar. Indeed, quite the contrary, for the production system contains a definite framework for how and where the work can be done. The company and the union, for example, have an agreement on the quantity of work to be done at


Efficiency at Kalmar is at least equal to, if not better than, Volvo's conventional assembly facilities in Sweden

the plant. How often the assembly carriers move from one workstation to the next is thus based upon the production program, the agreed quantity of work and the number of workers.

With regard to the effectiveness of these developments in promoting improvements in the quality of working life (including improvements in both physical and psychological conditions of work) and the democratization of the workplace, interviews with workers at the Kalmar plant suggest that they feel they do have an opportunity to influence their work situation both directly in their immediate jobs and indirectly through elected representatives. Moreover, on the basis of statistical information on assembly times, control and adjustment times, capacity utilization, losses in balancing the different work stations and so on, it has been concluded that efficiency at Kalmar is at least equal to, if not better than, Volvo's conventional assembly facilities in Sweden.

In particular, the quantity of white-collar work required per completed car is less than in a conventional factory, primarily because the Kalmar plant's organization calls for fewer supervisors. Also, thanks to the flexible carrier system, it is easier to revise the balancing of the assembly line when new or modified products are to be introduced. Moreover, absenteeism and labour turnover are both considerably lower at Kalmar; however, care must be exercised before attributing too much causal

significance to the effects of the innovative production system as the figures are obviously influenced by other factors, such as the labour market situation prevailing in different regions. Finally, despite the fact that the task of working out the details of the industrial engineering and planning have been turned over to the teams, assembly time at Kalmar is about the same as the traditional plant. Thus, while such changes should theoretically have meant longer assembly times, this has not occurred in practice because Kalmar's work organization has resulted in less "down time." In fact, Kalmar has achieved a higher degree of capacity utilization (96 per cent) compared with the traditional factory.

However, in purely economic terms — the kind of criteria that are, after all, most likely to affect management planning decisions — how effective has the experiment at Kalmar been? Although the estimated investment cost for the Kalmar plant was 10 per cent above that for a conventional plant, it is anticipated that the flexible layout, when used to full capacity, will pay for the higher investment. It must be added that at a time of world economic recession that goal of full capacity utilization may be hard to realize. But the fact remains that Kalmar does show that it is possible, in principle at least, to meet both the criteria of organizational effectiveness and those of improving the quality of working life. 

*The foregoing was adapted by The Labour Gazette from a paper by **Reine Hansson** of Sweden's Council for Personnel Administration to a conference on industrial democracy held under the auspices of the University of Toronto in November 1977.*

The future of collective bargaining in the federal public service

by Roy LaBerge

Fears that ceilings on the compensation of public service employees will continue in Canada's post-controls period were expressed by union leaders during the 1977 autumn seminar on the future of collective bargaining in the public service, at Confederation College in Thunder Bay, Ont.

They also expressed concern that there will be further limitations on their members' right to strike, and found little to allay their fears in an address by Tom Lefebvre, parliamentary secretary to the president of the Treasury Board, who told them that, in the final analysis, the future of public service collective bargaining "will depend on the attitude of the Canadian public."

Several speakers, both union and management, expressed doubts that people not directly involved in collective bargaining can understand the process, and they included in that category not only the public but also the journalists who inform — or misinform — the public about it and the politicians who frame the laws that govern it.

The Nov. 25-26 seminar drew 56 participants, most of them from unions, and several speakers complained that only a handful of management people were present. For a day and a half they discussed the topic in workshops and questioned both union and employer spokesmen.

The speakers included Lefebvre; Andrew Stewart, president of the Public Service Alliance of Canada; Donald Munro, Member of Parliament for Esquimault-Saanich and, until recently, the Progressive-Conservative public service critic; William Findlay, executive vice-president of the Letter Carriers Union of Canada, and Gordon M. Allan, group chief in the Treasury Board's staff relations and compensation division.

Lefebvre presented this description of the public image of public service employees: "For some time now they have been perceived in many areas as fat cats, overpaid and underworked, with an opportunity to retire early on a generous, indexed pension. They are accused of holding the public at ransom by striking essential services and thus extracting more than their fair share through the bargaining process."

Lefebvre said he himself did not accept these sweeping criticisms. "In my view," he observed, "the great majority of federal public servants are hard working, responsible employees who have never taken part in a strike of any kind."

"Public service employees are perceived as fat cats, overpaid and underworked, with an opportunity to retire early on a generous, indexed pension."

He pointed out that during the past 10 years more than 450 collective agreements had been reached with only 15 legal strikes, most of them of very short duration. Most of the work stoppages that did result in disruption of essential services were illegal stoppages "and thus attracted justifiable criticism" of the collective bargaining system.

He warned that when controls are removed, "if we should again return to a wage-price spiral aggravated by a high frequency of disruptive strikes, the cry will again be heard that collective bargaining, not only in the federal public service but in all areas of our economy, has failed as an acceptable process for resolving wage disputes. On the other hand, if moderation and restraint are practised in determining wages and prices, collective bargaining, as we know it, will continue to be utilized as a viable process." Lefebvre, who said he was presenting the Treasury Board position, also predicted that current legislative provisions dealing with unlawful work stoppages and with safety and security will be revised "to ensure that the safety and security of the public are protected in the event of a strike, whether legal or illegal."

Findlay said he saw a clear danger that "free collective bargaining will be taken away by the government," and he blamed this on "unfair

coverage given by the media in their efforts to sell newspapers.”

“The federal government would jump on any bandwagon to gain public support, which is very shaky at the moment,” the LCUC officer added, “and would not think twice about removing the right to strike from the public service.”

Dr. Arjun Aggarwal, instructor of industrial relations at the College and chairman of the seminar, pointed out that the record of strikes in the public service is not nearly as bad as is frequently depicted. “The present Public Service Staff Relations Act, for all its flaws, has worked very satisfactorily,” he said. “We need to strengthen and preserve it for the benefit of our entire employer-employee relations, not to weaken it.” Strikes cannot be ended by making them illegal, Aggarwal contended, for employees would just continue to strike — illegally.

Stewart also expressed concern about the image of public service employees and their unions: “Every time Canada is perceived to be facing a crisis, the citizens of Canada and, indeed, many politicians at all levels single out public service employees as scapegoats.”

The PSAC president also expressed apprehension about the role of the monitoring agency the government intends to establish in the post-controls period. “We’ve been told not to worry about it because it’s not going to have any teeth,” Stewart argued. “I remind everyone that we saw a commission put in place back in 1970 and 1971. It was called John Young’s Prices and Incomes Commission. It was not supposed to have any teeth either. But we all know that the guidelines which were developed by John Young became maximums for public service employees and guidelines for everyone else in the

“The great majority of public servants are hard working, responsible employees who have never taken part in a strike of any kind.”

country.” That, Stewart suggested, “could well happen again” with the post-controls monitoring agency.

He was also concerned about how long the post-controls period would last: “Some people think it isn’t that bad; it’s only going to be for a few months. But I am very much afraid the post-controls period will be from now on.”

Stewart also predicted a stormy industrial relations future unless the income gap is narrowed between workers at the bottom of the wage scale and those at the top. “How long will low-wage earners acquiesce peacefully to this discriminatory wage-and-salary structure?” he asked.

“Because the government is committed to a policy of relating the salaries paid to their employees to the salaries of taxpayers doing similar work, bargaining agents will have difficulty securing rates of pay for their members in the low-wage bracket in excess of wages paid by good employers in the private sector.”

He said many of the frustrations of low-wage public service employees may be directed at their union as well as at their employer: “Wild-cat strikes and demonstrations could occur more frequently, and perhaps attempts to change bargaining agents or union leadership — not that other agents or leadership will have any simple solutions to the complex problems.”

Stewart and Allan both predicted

that broader-based bargaining will be part of the future of public service industrial relations. They pointed out that the present multiplicity of bargaining groups — 44 represented by the Alliance alone — coupled with the general use of one-year agreements under the Anti-Inflation Program, are taxing the negotiating resources of both unions and management.

“We are both looking for some way out of this dilemma,” Allan said, “But it is not going to be easy, given the present legislative structure and the occupational categories that now exist.”

Findlay and Allan both noted that the Public Service Staff Relations Board is overworked because of the high number of grievances sent to the adjudication stage — averaging more than 600 a year.

Allan said that the “bureaucracy that has been built up by legislation” has been one of the biggest problems. “The changes that should come in the future should ease the administrative workload that plagues all of us,” he added. “Maybe we should start to make a more concerted effort to reach an agreement between ourselves rather than overburden the Board.”

Findlay agreed that more grievances should be handled by management and unions themselves, but he was critical of the attitude and ability of many of the government’s staff relations officers. “Too many of them spend their time looking for the next step up the promotional ladder instead of doing their job and looking after staff relations in the proper sense,” the LCUC officer contended. “This causes turmoil, frustration and a backlog of grievances.”

The 1967 legislation that established federal public service

bargaining has come under scrutiny from a joint Parliamentary committee which has made recommendations for amendments. But Findlay questioned whether "the people who sat on the committee really have the feeling for and understanding of the changes that are needed to make collective bargaining work in the public service."

Munro, who was a member of the committee, said he and his fellow Parliamentarians could well have spent two or three days at bargaining sessions to enhance their understanding of the process, "but we did not do so."

But Stewart said three days would not be enough exposure to the process: "To assess what is appropriate in terms of legislation you would have to go through negotiations from beginning to end, to be a party to it, to feel the frustrations involved in the system, whether from one side or the other."

Allan later referred to collective bargaining as a "black art" because "people not involved in the process have no understanding of it, and no feeling for it."

Allan also said he hopes the future of public service collective bargaining will include changes in the procedure for designating employees who are not allowed to strike because their work is considered essential to the safety and security of the public. When a union and employer cannot agree on the list of such employees, it is sent to the PSSRB for resolution. But the contract dispute cannot go to a conciliation board until the designations have been decided. "In more than a couple of cases the bargaining agent negotiators have thrown up their hands and said 'to hell with it, we'll agree with your proposals,' only so that they can get to a conciliation board," the Treasury Board official said.

Broader-based bargaining will be part of the future of public service industrial relations

He also pointed out that, with only one exception, in every instance where a strike has occurred, "the designated employees, in the main, have not reported for work." The exception was in the case of air traffic controllers "and they don't have to worry because a decision has been made that in a strike situation commercial flying will be shut down." In some cases, he said, designated employees have not reported for work as part of strike strategy, and at other times they have been blocked by fear of crossing a militant picket line.

Allan said it is not easy to define an essential service, and the 1967 Public Service Staff Relations Act made no attempt to do so. "What you read about now in the papers is taking away the right to strike in essential services, whatever that may be, and that is not something new. People have been trying for

the last 15 to 20 years to decide what is or is not an essential service. Ultimately it comes down to: essential to whom and at what time."

Munro proposed the creation of a public interest disputes commission as the forum "for the resolution of all matters affecting employer-employee relations in the public service" and in which "the whole collective bargaining process could take place." It would have a chairman, a member from the union, a member from the Treasury Board as the employer, and two or more "auditors" chosen from consumer groups, service clubs or United Funds to represent the public. Should a strike become inevitable, the commission would supervise a secret strike ballot. Munro also suggested it might be a good idea to let "wives" take part in the strike vote.

The MP's suggestion got little support at the seminar. Most participants agreed that "auditors," ignorant of the "black art" of collective bargaining, could make little, if any, useful contribution to the process. [g]

Toronto Star Syndicate



"Now that we've consolidated all our debts, we'll just have one bill we can't pay!"

Industry and expedited arbitration: alternatives to traditional methods

by A.C. Sinclair

Enlightened, intelligent and flexible industrial relations practitioners in several industries in Canada have worked out mechanisms that have overcome many of the limitations of the conventional grievance arbitration process. Labour Canada has recently undertaken a major study of such methods of "industry" or "expedited" arbitration, and it is the purpose of this article to summarize its findings.

Expedited grievance arbitration systems enable union and management officials to adopt new approaches to grievance arbitration that might contribute to a reduction in delays, lessening of costs, minimizing of procedural formalities, as well as reduction of case volume.

The term *expedited arbitration* encompasses systems used in specific industries whereby a "permanent" arbitrator or a panel of arbitrators is selected to hear grievances arising under one or more collective agreements over a period of time, as well as any procedures or mechanisms designed to expedite the grievance arbitration process.

The commitment of both labour and management in Canada to the expedited handling of grievances is a growing trend which has helped to ensure that arbitration processes have not become clogged to the extent that they are no longer able to perform their vital function, namely, the prompt resolution of disputes. In an effort to handle grievances more effi-

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ciently, there has been experimentation with both new forms and new applications of expedited arbitration. This approach has been found to have relative merit when compared with traditional grievance arbitration which usually involves the disposition of grievances by arbitrators or arbitration boards chosen or constituted on a case by case basis. With industry and expedited arbitration, however, a permanent arbitrator or a panel of arbitrators is selected to hear grievances arising under one or more collective agreements over a period of time. In addition, pre-arbitration time-saving procedures have been established.

Labour Canada has initiated extensive research into various forms of industry and expedited grievance arbitration systems. The industries examined were railways, longshoring, steel, construction, motor transport, garment, auto and forest industries.

It should be emphasized that the grievance resolution mechanisms outlined in this study were established and developed by the

In an effort to handle grievances more efficiently, there has been experimentation with both new forms and new applications of expedited arbitration

parties to forestall or resolve a wide spectrum of problems particular to their industry. Nowhere is this more apparent than in the case of the vital railway and longshoring industries falling under federal jurisdiction. Both sides in these industries have developed specialized and effective techniques over the years to ensure that grievances, or matters that might become the object of grievance disputes, are expertly and expeditiously disposed of in a manner conducive to good labour-management relations.

For example, the Canadian Railway Office of Arbitration, which was established in 1965 and is based in Montreal, is a sole arbitrator mechanism covering the vast majority of railway industry organizations in Canada as well as most of the industry's unionized workforce. In this industry, grievances that remain unsettled after processing through the collective agreement grievance procedure are referred for a binding decision to a permanent sole arbitrator, the latter being selected by labour and management for a one year term. The present sole arbitrator has acted continuously since 1968, and receives an annual salary as well as personal expenses.

Arbitration requests are filed with the Office by the eighth day of the month preceding that in which the hearing is to take place. These requests are accompanied by concise factual statements and contain no argument. On the second Tuesday of each month the sole arbitrator hears those

disputes that have been filed with the Office. A number of cases are generally disposed of in one hearing, which usually lasts from one to two days. The hearings are governed by a high degree of informality, thus witnesses are called only infrequently and legal counsel are rarely used. The awards are relatively short and concise and are frequently rendered within a week of the hearing. They are circulated to all the parties by the Office and are sufficiently comprehensible and elaborate for use as precedent in a specialized industry context.

In longshoring, a number of innovative grievance resolution mechanisms have been adopted at various ports in Canada.

For example, although the agreement between the Maritime Employers Association (MEA) and Local 269 of the International Longshoremen's Association (ILA) at the Port of Halifax contains a formal grievance and arbitration procedure, the vast majority of grievances in the port are in fact handled through a labour-management committee chaired by a conciliation officer from a local Halifax Labour Canada office. The Committee meets on an ad hoc basis at the request of either party and convenes on the average once a week.

At Saint John, the agreement between the Maritime Employers Association and Local 273 of the International Longshoremen's Association contains both a normal grievance procedure, and one for situations whose urgency is such as to render impractical the time limits imposed by the normal procedure. However, where the normal route is followed, the parties frequently agree to waive certain steps in order to proceed directly to arbitration.

At Montreal, Trois-Rivières and

In the construction industry, the volume of grievance arbitration has remained relatively low over the years

Quebec, most disputes are settled "on-the-spot" without formal grievances being launched. Should such grievances arise, however, they are submitted to a grievance committee which meets weekly on a set day to settle grievances in an expeditious and informal manner. Where grievances reach the arbitration stage, and these are generally few in number, they are submitted with only a short delay to a previously agreed upon sole arbitrator.

At Hamilton, monthly labour-management meetings, held between the MEA and Local 1654 of the ILA have virtually eliminated the need for the launching of formal grievances and have also brought about a high rate of settlement of potential grievances.

In those West Coast ports coming under the agreement between the British Columbia Maritime Employers Association and the International Longshoremen's and Warehousemen's Union, a Job Arbitrator, drawn from the longshoring industry, and paid a monthly retainer whose cost is borne equally by the parties, disposes of disputes requiring an urgent, oral and on-the-spot decision. This oral "Summary Disposition" is then confirmed in writing, usually within 48 hours. In the rare event that either party requests a re-hearing of a matter on which the Job Arbitrator has rendered a decision, the question is referred to a Joint Industry Labour Relations Committee, on which labour and management representatives sit in equal numbers. The Committee issues its award within a short time. In

those rare instances where the parties are not satisfied with the Committee's decision, the matter is referred to an "Industry Arbitrator." The present Industry Arbitrator is a retired management official. There is no recourse to "outside" arbitration under the B.C. MEA — ILWU agreement.

To cite an example from another industry, the United Steelworkers of America and the International Nickel Company of Canada Limited established the Grievance Commissioner System in 1972 to provide an expeditious means for promoting the effective disposition of those grievances which the parties have agreed may be handled in a summary manner at the arbitration stage. The system is incorporated in the parties' collective agreements applying to union Locals 6500 and 6200 and covering approximately 15,000 workers in Sudbury and Port Colborne, Ontario.

Where a disagreement arises with respect to the interpretation, application or alleged violation of a collective agreement, and it is not satisfactorily resolved under the applicable grievance procedure, then management and union representatives may agree to submit the grievance to a Grievance Commissioner. Failing agreement at this stage, the grievance may be submitted to an arbitration board whose chairman is selected from a panel specified in the collective agreement.

Two Grievance Commissioners, named in the agreement, serve alternately on a monthly basis as sole arbitrators. Hearings are held on the third Thursday of each month. The parties provide the Commissioner with specified grievance procedure documentation and, not less than ten days before the hearing, they supply him and each other with additional concise

written representations. Hearings are highly informal and generally no witnesses are called, as the Commissioner relies largely on the written summaries submitted by the parties. Furthermore, the latter are not represented by legal counsel, nor is it usual for precedents to be cited. Several cases are usually heard in a day, with the average hearing time per case being about half an hour. Brief awards are issued within seven days of the hearing. However, they do not constitute a precedent, nor may they be used as such by either party in future cases.

The Ontario Joint Grievance Committee provides an alternative arbitration method under collective agreements between the Motor Transport Industrial Relations Bureau of Ontario (Inc.), a trucking company association, and various Teamster locals in Ontario and Quebec. For example, a party wishing to proceed to arbitration after the last step decision of an

...frequent use is made of "instant" or..."quickie" arbitrations...usually a simultaneous "lay-down of tools," going home or "parading" at the entrance of a construction project while the union wins its point

agreement's grievance procedure, may submit the grievance either to a conventional ad hoc tripartite board of arbitration or to the Ontario Joint Grievance Committee. The latter consists of two nominees appointed by the unions (two senior officers from locals other than the one involved in the grievance) and two Bureau nominees (two senior management personnel, usually Bureau Directors, whose company is not involved in the hearing). The nominees are drawn from union and Bureau panels consisting generally of experienced representatives engaged in the day-to-

day administration of the agreements.

The Committee's hearings are held regularly in Toronto for two days during the first week of each month, and at three month intervals in other locations. Hearing dates are scheduled well in advance and committee members are usually readily available. A number of cases may be heard on any given day.

The decisions provided by the Committee are final and binding and are usually released to the parties on the day following the hearing, however, again the awards cannot be cited as precedents in future cases. If the Committee is unable to render a majority decision (i.e., in the event of a deadlock), the grieved party may either withdraw the grievance or submit it to an ad hoc tripartite arbitration board within a specified period. In most cases, however, the Committee has issued majority decisions.

In the clothing industry, several collective agreements between the Amalgamated Clothing and Textile Workers Union in Montreal and employers associations, or individual companies, contain an expedited grievance resolution and arbitration mechanism.

There are three steps in the grievance procedure, prior to arbitration, and although there are no time limits specified in the collective agreements for completing these steps, the grievance procedure is normally exhausted within one or two days. Moreover, grievances are usually quickly resolved and only a small number are ever submitted to arbitration.

The parties do not encounter delays in finding suitable arbitrators, as two experienced specified persons with a long history of involvement in garment industry arbitrations are readily available.



**"I don't worry about mandatory retirement at 65
— my birthday falls on February 29th"**

While there are no regular hearing dates or time limits for the holding of hearings, the latter generally take place within a short period of time, subject only to the availability of a date agreeable to both parties. Hearings are highly informal and a case is usually disposed of within one to two hours. Lawyers are seldom involved and precedents are rarely cited. Further, while there are no time limits specified for the rendering of awards, the latter are normally concise and issued within one week of the hearing.

A similar expedited grievance handling mechanism was established about 20 years ago by the Amalgamated Clothing Workers Toronto Market Joint Board and an employers association. An expedited grievance arbitration mechanism is also contained in the Memorandum of Agreement between the Montreal Joint Board Dressmakers' Union of the International Ladies' Garment Workers' Union and the Montreal Dress and Sportswear Manufacturers' Guild, applying to approximately 13,000 workers.

While the aforementioned agreement contains no pre-arbitration grievance procedure, grievances are in fact processed in a few days through an informal pre-arbitration procedure. A grievance remaining unsettled is, as the agreement provides, submitted to specified and experienced arbitrators, appointed for the agreement's duration, within 24 hours after one party notifies the other of its desire to have the matter arbitrated. An expedited and highly informal hearing is held within a short time thereafter and usually disposes of the case within two to four hours. Awards must be rendered within 48 hours of the hearing unless the parties agree to an additional delay of 48 hours.

In the auto industry, UAW agree-

ments do not generally provide for expeditious grievance processing prior to arbitration. Increased screening of grievances at the pre-arbitration stage has, however, stabilized arbitration case volume. Most collective agreements to which the UAW is a party provide for permanent sole arbitrators, with agreements between the union and major companies generally specifying panels from which sole arbitrators are drawn.

...a significant number of grievances are settled at the early stages of the grievance procedure either as a result of pressure tactics or in a more positive context

Several UAW agreements also specify the order in which different types of grievances are to be heard at arbitration hearings. In order of priority, these are grievances involving discharge, suspension, improper layoff, policy matters and leave of absence. Urgent cases are given priority even where a specific order is not set out in the agreement.

In contrast to the general pattern in the auto industry, the agreement between the UAW and General Motors does, in fact, contain an optional expeditious procedure for accelerating the hearing and award phases of the arbitration process. The procedure has, however, rarely been followed.

The summary arbitration procedure put forward by the Quebec Advisory Council on Labour and Manpower (le conseil consultatif du travail et de la main-d'oeuvre du Quebec) is intended to provide an alternative grievance arbitration route which parties might follow for specific grievances or types of grievances. Parties may integrate this summary procedure as an appendix to their agreement, incor-

porate it into their grievance resolution provisions, add the summary procedure to their agreement for a trial period, or agree to derogate from the regular collective agreement grievance procedure for one or more specified grievances.

Some minor differences between these approaches notwithstanding, the main features of this summary arbitration procedure may be summarized as follows: grievances processed through this procedure may only be disposed of by those sole arbitrators agreed upon by the parties in advance (this includes the drawing of arbitrators' names from a previously determined list according to some mutually acceptable order of priority); the parties must, within five days, jointly state their case in a written document and forward it to the arbitrator; unless otherwise agreed, the arbitrator must convene a hearing not later than 10 days after receipt of the joint written document; the hearing must not last more than one day, except with the consent of the parties; and lastly a final and binding award, rendered in summary form and dealing only with the issues and arguments raised in the parties' joint written document, must be issued within five working days of the hearing's conclusion, although the latter award, it should be added, does not constitute a precedent. The arbitrator receives an all-inclusive fee of \$200 per grievance. If more than two grievances are heard in the same day the fee is reduced to \$150, beginning with the third grievance.

In the forest products industry, Forest Industrial Relations Limited represents approximately 120 companies operating in the coastal region of British Columbia. These companies employ about 28,000 members of the International Woodworkers of America, and those employees constitute a high proportion of the 48,000 IWA

members employed in the province's forest industry.

The pre-arbitration grievance procedure contained in the master agreement between FIR and local unions of Regional Council No. 1 of the IWA involves five steps and a maximum total delay of about 60 days. The arbitration stage involves permanent panels of arbitrators and hence offers an example of "industry arbitration." If a grievance remains unresolved after the grievance procedure has been exhausted, it is submitted to a sole arbitrator drawn from a pre-selected panel of four arbitrators listed in the agreement. Where the parties are unable to agree on the selection of an arbitrator from among the panel, they must request the Minister of Labour to appoint one from among the panel. If these panel arbitrators are not available, the parties may request the Minister to appoint a temporary replacement. Hearings are held in Vancouver, or at such other places as the parties may agree upon. Awards must be rendered within fourteen days of the hearing, and the arbitrator's fees and expenses are shared equally by the parties.

In addition to the above system for the resolution of grievances involving individuals and specific companies, there also exists, under the same agreement, a mechanism providing for a "right of reference" with respect to general matters concerning the application of a collective agreement. When a problem arises between FIR and the IWA regarding the interpretation of the collective agreement that could affect the industry generally, the matter is referred to a "Right of Reference Committee" composed of six representatives, three of whom are selected by the IWA and the remainder by the companies represented in the negotiation of the agreement. If the Committee

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"A cup of coffee and two straws, please."

members fail to agree upon a satisfactory interpretation of the point in question, either party may refer the matter to a permanent "interpreter," or if an "interpreter" is not available, the parties may request the Minister of Labour to appoint a Judge, either of the Supreme Court or the Court of Appeal of British Columbia, to act in this capacity.

...there is no standard industry or expedited grievance arbitration procedure in the construction industry...

A number of agreements involving the IWA in other regions of the province contain similar procedures for the arbitration of individual grievances on the one hand, and for the resolution of more general matters relating to collective agreement interpretation, on the other. Mechanisms providing for permanent arbitrators or permanent panels of arbitrators are prevalent, although they have no particular expeditious features.

In the construction industry, the

volume of grievance arbitration has remained relatively low over the years. While the reasons for this may vary from time to time and from place to place, several factors have been perennial contributors.

First, frequent use is made of "instant" or, what is commonly referred to in the industry as "quickie," arbitrations. These are essentially illegal work stoppages that might involve a simultaneous "lay-down of tools," going home or "parading" at the entrance of a construction project while the union wins its point.

Secondly, a significant number of grievances are settled at the early stages of the grievance procedures, either as a result of pressure tactics or in a more positive context.

Thirdly, the volume of grievances is controlled because the inherent characteristics and structure of the construction industry give rise to a smaller number of specific types of grievances than arise in other industries. Thus, generally speaking, dismissals in the common law provinces are seldom contested, except in the case of

job stewards. This is largely due to the widespread use of the hiring hall through which union business agents select the contractor's staff, a generally acknowledged employer right to determine the qualifications and performance of tradespeople, and a lack of seniority provisions in the collective agreements. Moreover, since construction tradespeople offer their services to several contractors on a time basis as their skills are required, unions generally acknowledge that seniority provisions are not practical in the circumstances. The types of disputes that reach the arbitration stage generally involve the interpretation of collective agreement provisions relating to monetary matters such as overtime, travelling time, shift premiums, call-in-pay, board allowances, camp standards or subletting.

Fourthly, while the construction industry grievance procedures usually contain three steps (unionized foreman at the first step, project superintendent or manager at the second step and the general manager of head office of the corporation at the third step), some trades in certain jurisdictions make use of a joint labour-management board mechanism which provides a final opportunity to attempt to settle a dispute short of arbitration.

Hence there is no standard industry or expedited grievance arbitration procedure in the construction industry, although there are a number of relevant mechanisms in some provinces at both the pre-arbitration and arbitration stages.

In Ontario, the construction industry frequently refers, as an alternative recourse, to grievance arbitration, by applying to the Ontario Labour Relations Board under section 112 of the Labour Relations Act.

In Quebec, the grievance arbitra-

Enlightened, intelligent and flexible industrial relations practitioners in several industries in Canada have worked out mechanisms that have overcome...the conventional grievance arbitration process


tion case volume is influenced by the fact that the Construction Industry Labour Relations Act provides that only certain matters may be arbitrated by sole arbitrators. These matters cover, for example, union security, union dues, and disciplinary measures taken by employers. On the other hand, most monetary claims are processed by inspectors of the Quebec Construction Board, which presents outstanding claims to the courts on behalf of the affected employees.

In British Columbia a number of unions participate in a Joint Conference Board to which grievances not resolved at the early stages of the grievance procedure may be referred. The Board provides a last chance to settle a dispute before it is referred to arbitration. Other unions, especially those representing workers in basic trades such as labourers, operators and cement masons, participate in a Construction Industry Advisory Board which appoints, from among its members, panels who arbitrate grievances, sometimes with a natural chairman either agreed upon by the panel members or appointed at their request by the Minister of Labour. As a result of these mechanisms, the grievance dispute settlement procedures established under the provincial labour code are used only infrequently in the construction industry.

In Prince Edward Island, where most grievances are resolved at the first level in five days, unre-

solved grievances may be referred to a Joint Conference Board of three union and three management members. It convenes every two months and usually renders a decision within seven days of the hearing.

In Manitoba, most agreements call for a joint Conference stage, but few grievances reach it. While in Newfoundland and Nova Scotia, the provincial labour relations act require that unresolved grievances be referred to a sole arbitrator on the day that they arise. There are no industry or expedited grievance mechanisms in Saskatchewan and the few grievances that do need arbitration are referred to tripartite boards on an ad hoc basis. In Alberta, too, formal grievance procedures are rarely resorted to and, grievances are referred to ad hoc arbitration boards, as needed.

Most of the mechanisms have undoubtedly reduced or eliminated all or many of the inherent defects in the conventional grievance process. In varying degrees, they have reduced arbitration costs, delays and case volume. In the adoption of these mechanisms, parties have been able to secure, on a long-term basis, the services of persons having a high degree of industry expertise. They have also made use of informal and flexible techniques to satisfy their particular requirements. This has helped reduce the labour-management tensions and frustrations that would otherwise have resulted through the accumulation of unresolved grievance disputes. Measures instrumental in substantially diminishing recourse to conventional arbitration, as well as those developed to dispose of potentially disruptive grievances, have played an important role in alleviating labour-management friction. 

A copy of the study may be obtained by writing to Arbitration Services, Labour Canada, Ottawa, K1A 0J2

Labour legislation in Canada, 1977

Part IB: Labour relations — public sector

by Nicole Marchand

Three jurisdictions introduced legislation in 1977 affecting employer-employee relations in the public sector. Alberta adopted a new Act regulating collective bargaining for public employees, and British Columbia amended the Public Service Act on adjudication of grievances. In Québec a new Civil Service Act was introduced and legislation dealing with conditions of employment for policemen of the Montreal Urban Community was amended.

The Public Service Employee Relations Act was adopted in May 1977 and proclaimed in force on September 23 by the **Alberta** Government. The new legislation establishes the framework of collective bargaining for public employees and amends several Acts, including sections of the Public Service Act dealing with employee relations.

Under the Public Service Employee Relations Act, the parties to negotiations are the Public Service Commissioner representing the Crown in right of Alberta, and a trade union acting on behalf of the employees in a bargaining unit, whether or not certified.

The Act creates the Public Service Employee Relations Board (PSERB) consisting of five appointees of the Lieutenant Governor in Council, one of whom acts as chairman. The PSERB is responsible for dealing with certification proceedings. Upon application for certification, the

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PSERB inquires into whether the union is a proper bargaining agent and whether a majority of the employees in the unit are in favour of the union as their bargaining agent. A representation vote may be conducted by the Board but it is not compulsory.

Collective bargaining may commence 10 days after notice to bargain has been given. When a collective agreement is in effect such notice may be given not less than 30 days and not more than 90 days before the expiry of the agreement. If no agreement is in force, the notice may be given at any time.

Mediation may be requested at any time during negotiations. The parties may also request that matters remaining in dispute be referred to binding arbitration. The request is accompanied by a list of items in dispute. If only one party makes the request, the other party is given the opportunity to add items to the list. The Public Service Employee Relations Board must be satisfied that the parties have made reasonable efforts to resolve their dispute by negotiation and that it is an appropriate time to establish an arbitration board. The PSERB supplies the arbitration board with the list of arbitral items to be resolved. Only those matters that may be in-

cluded in a collective agreement may be referred to arbitration. Matters such as organization of work, assignment of duties, the systems of job evaluation, appointments, promotions, transfers and pensions may not be included in an arbitral award. An arbitral award is binding on the parties and strikes and lockouts are expressly prohibited.

A collective agreement may provide for the employer to deduct trade union dues or a sum equal to those dues from the pay of every employee in the bargaining unit. An agreement may also make membership in a trade union a condition of employment. The Act requires that every agreement provide for final settlement of differences by adjudication or otherwise. If an agreement does not so provide, the Act contains detailed provisions for dealing with grievances which are deemed to be included in the agreement.

In **British Columbia**, the Public Service Act was amended effective November 23, 1977. The amendment provides that the chairman of the Public Service Adjudication Board may investigate, hear and determine a grievance, or refer a grievance to a vice-chairman or to a person who is not a member of the board as a single adjudicator or arbitrator. A decision or award may be appealed to the board on the ground that a party has been or is likely to be denied a fair hearing or that the decision is inconsistent with the principles of

the Public Service Act or any other Act dealing with labour relations. Upon application of the party affected, the board may do one of the following; set aside the decision rendered, remit the matter back to the person who made the decision, stay the proceedings, or substitute its decision for the one of the person who made it. The Court of Appeal may under specific conditions, review the decision of the chairman, vice-chairman, panel of the board or the person appointed to hear the matter.

Where the government, a trade-union or an employee fails to comply with a decision, either party affected by the decision may file a copy of the decision in the registry of the Supreme Court. The decision is then entered as if it were a decision of the Court and is deemed for all purposes, except for the purpose of an appeal, to be an order of the Supreme Court and enforceable as such.

Bill 53, The Civil Service Act, received First Reading on July 26 in the **Québec** National Assembly. The Bill proposes the consolidation and revision of the Civil Service Act and the Civil Service Department Act. It provides for the organization and management of the civil service and states that recruitment and promotions are to be by way of competition based on selection according to merit.

Under the proposed legislation, the Minister of the Civil Service is to have general responsibility for the management of the civil service. The Minister will also negotiate collective agreements with certified employee associations within the scope of the mandates received from the Treasury Board. With the authori-

zation of the government, he will sign collective agreements; he will also supervise the carrying out of these agreements and co-ordinate their interpretation.

The administration of the new Act would be shared between the Minister of the Civil Service, the Commission de la fonction publique and the Office du recrutement du personnel de la fonction publique. Under the general responsibility for the management of the civil service, the Minister may make regulations concerning the classification of positions, remuneration, evaluation, promotion, assignment, reclassification, transfer, availability, demotion, removal or dismissal for incompetence and disciplinary action.

The Commission de la fonction publique will hear and decide appeals on matters related to classification and reclassification, competition for promotion, demotion, removal or dismissal for professional incompetence. The Commission will also initiate inquiries regarding compliance with the Act and regulations and advise the Minister and the Treasury Board on proposed regulations.

The Office du recrutement du personnel de la fonction publique will make regulations concerning the recruitment and selection of candidates for the civil service. It will recruit and select candidates, certify their qualifications and make appointments.

On November 2, 1977 an Act respecting the Public Security Council and the Police Department of the Montreal Urban Community (Bill 57) came fully into force by proclamation of the Québec Government.

The Act brings changes to the composition, organization and functions of the Montreal Urban Community Public Security Council and to the Community Police Department. Bill 57 amends the Montreal Urban Community Act and the Charter of the City of Montreal.

Provisions relating to conditions of employment for Montreal policemen have been incorporated in the amendments to the Montreal Urban Community Act.

The conditions of employment, the retirement plan, pension plan or pension fund of members of the Police Department who are not employees within the meaning of the Labour Code are determined by the Security Council of the Montreal Urban Community.

Bill 57 establishes a bargaining committee to negotiate under the authority and in the name of the executive committee of the Community every collective agreement, retirement plan, pension plan or pension fund of all the policemen of the Police Department with the exception of those who are not employees within the meaning of the Code as mentioned above.

The bargaining committee consists of a member of the executive committee who is the only person responsible for the bargaining; a member of the Public Security Council and a representative of the director of the Police Department are also members of the Committee as advisers. Every decision of the bargaining committee approved by the executive committee binds the Public Security Council. [9]

Books

Auto Work and Its Discontents:

Policy Studies in Employment and Welfare, Number 25

B.J. Widick, editor, The Johns Hopkins Press, 1976

Two characteristics distinguish this 112-page monograph from most other works on the topic. One is that it is written largely in clear and comprehensible English. The other is that the five academics who wrote its major articles or study reports — B.J. Widick, Patricia Cayo Sexton, Bill Goode, Robert Reiff and Al Nash — have all worked in an auto plant for periods which range from a minimum of three years to a maximum of fifteen, have served as union plant bargaining agents, and have retained an interest in the industry, the union and the workers.

Their consensus is that neither hypotheses based on the concepts of "job satisfaction" nor those based upon the notion "alienation" alone offer a satisfactory basis for analysis and judgment of workers' attitudes and social relations in auto factories. Neither approach, they contend, takes into account the totality of and the wide differences in the causes of job discontent, nor of the many variables that affect workers in the industry. Rather, they suggest that, "The feelings of most workers about their jobs tend to form a continuum between job satisfaction and alienation rather than a polarization around either concept."

The writers are critical of most research and academic writings on the questions of worker discontent and the quality of working life. Nash, for example, reviews thirteen major studies or articles about assembly-line auto workers and finds that most of their authors "subsume a range of QWL expressions — self-fulfilment, self-growth, self-actualization, dignity, interesting work, and job involvement — under the discussion of job satisfaction, and use them to elaborate on what they mean by satisfaction or what leads to satisfaction." Yet, he argues, factors other than the actual job affect workers' feelings, and he concludes that the investigators' findings have been coloured by their own views.

Reiff is critical of much of the usage of the term "alienation." His experience working in an auto plant has convinced him that "alienation of workers, as a personality characteristic is in the eyes of the social science beholder." He says there is no visible evidence that auto workers are "dehumanized, or mere robots" as several writers contend.

The authors note several sources of worker discontent other than personality alienation or lack of job satisfaction, arising from society itself and its middle-class value system. Widick, for example, discusses workers' grievance against "the general contempt with which factory workers, and notably assembly-line workers, are viewed." "As for much of the academic world," he writes, "the frequently expressed view of the blue-collar worker as a combina-

tion of satisfied robot or backward Archie Bunker — good only for laughs or for someone to feel superior to — adds to the antagonism, irritation and frustration of the people in the factories."

Other causes of worker discontent that spill over from other areas of society into the workplace include racial tensions, male-female antagonisms, and fears arising from abuse of drugs by fellow workers. These, they contend, have been almost totally ignored in QWL literature.

They also maintain that most studies ignore the impact of the United Auto Workers union on QWL. The union has negotiated improved wages and working conditions and provided a permanent structure for handling grievances, thus giving workers some degree of control of their QWL. Moreover, as Sexton points out, "for many rank-and-file workers, unionism and the contest between workers and management, or between union factions, can, paradoxically, make many boring jobs endurable."

Another worthwhile contribution of this monograph is that it provides fascinating descriptions of how workers, who refuse to become robots or automatons, use hi-jinks and a wide range of interpersonal relationships to cope with the realities of workplaces that are frequently "dirty, grimy, noisy, uncomfortable and unattractive." This vicarious exposure may be helpful, although somewhat foreign, to the many people now writing about the quality of working life who have themselves

never had to earn a living in such workplaces over any considerable length of time. Many journalists who read the monograph, particularly among those working in daily news media, may find the milieu described less unfamiliar, since they, too, frequently must practise their trade in workplaces that are dirty, grimy, uncomfortable and unattractive, though admittedly to a lesser degree.

The status to which the authors have risen since leaving the auto plant is ample testimony to their competence to contribute to the QWL debate. At the time they prepared this work, Widick was a professor in the graduate school of business at Columbia University; Goode was associate dean of the Empire State Labor College; Nash, an associate professor of sociology at Cornell University; Reiff, professor and director of the Center for the Study of Social Intervention at the Albert Einstein College of Medicine, and Sexton, a professor of sociology at New York University.

Unfortunately, however, there exists the possibility that the very work experience in the industry that has made these academics particularly competent to write this work, may serve to disqualify them in the eyes of some of those social science beholders who insist on seeing either worker alienation or job satisfaction as the explanation for the absence or presence of worker discontent. Such faulty vision might obscure the tremendous contribution this work has to make to the entire QWL debate in North America. It is to be devoutly hoped that all such potential disclaimers of this work will remove the motes of alienation and job satisfaction from their

eyes. Thus, seeing more clearly, they may come to agree with Professor Eli Ginzberg of Columbia University who writes in the foreword that this monograph "comes closer to the truth than any other treatment of a theme that has confused social scientists since the days of Karl Marx."

—R.L.

The Brothers Reuther

and the Story of the UAW: A Memoir

by **Victor G. Reuther**, Houghton Mifflin Company, 1976

This is a highly subjective story of the lives of the late Walter Reuther, head of the United Auto Workers, and his three brothers, Roy, Ted and Victor, written by one of them. Victor dictated the first draft from memory, supplemented by the family's personal papers which included extensive notes that Walter Reuther dictated a few hours after many of the major events in his life. It covers the period from the birth of their father, Valentine Reuther, in the German village of Edigheim on the Rhine in 1881, until Walter's death in 1971.

The Brothers Reuther tells a fascinating tale of a German immigrant who not only became a union activist himself, but also raised four sons in the growing industrial community of Wheeling, West Virginia, to take leadership roles in society. He had his boys participate in debates in the home on such social issues as child labour, prohibition and women's

suffrage, judging them on both their presentation and research. So skilled did Walter become at argument and debate that, when he applied for his first job with the Ford Motor Company, he spent three hours arguing with a security guard outside the door of the employment office until the man finally broke down and admitted him for an interview with the employment manager.

That kind of persistence served Walter and his brothers well in the struggles faced by the labour movement in general and the UAW in particular. The book also tells of the risks they faced. Walter was beaten on more than one occasion. There was a kidnap attempt at a family birthday party. Both Walter and Victor were victims of attempted assassination. Indeed, the Reuther brothers battled with a formidable array of enemies — George Meany, the management of the auto companies, Communists, the Underworld and even with United States presidents. And Victor reports, with obvious pride, that the 80 sponsors of his retirement dinner were added to President Nixon's enemies' list!

Its very lack of objectivity and dissinterestedness helps make this highly personal book exciting reading. Victor describes the joys of writing it, recalling the brothers' "victories over entrenched greed and arrogance" and against "inbred bigotry and racial hatred." No family could possibly possess all the virtues ascribed to the Reuthers in this work, but Victor himself admits: "I make no pretence of 'objectivity' which is a luxury reserved for historians."

—R.L.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Arbitration, Industrial

Canada. Federal Mediation and Conciliation Services. *Industry and expedited arbitration: alternatives to traditional methods.* Ottawa, Supply and Services Canada, 1977. 80p.

Corporations, International

Clement, Wallace. *Continental corporate power: economic elite linkages between Canada and the United States.* Toronto, McClelland and Stewart, 1977. 408p.

International Labour Office. *Social and labour practices of multinational enterprises in the petroleum industry.* Geneva, 1977. 100p.

International Labour Office. *Social and labour practices of some U.S.-based multinationals in the metal trades.* Geneva, 1977. 172p.

Employees — Dismissal

Trades Union Congress. *Unfair dismissal.* London, 1977. 31p.

Industrial Democracy

Bernstein, Paul. *Workplace democratization: its internal*

dynamics. Kent, Ohio, Comparative Administration Research Institute, distributed by Kent State University Press, 1976. 127p.

Industrial Disputes

Industrial conflict in Britain, edited by E.W. Evans and S.W. Creigh. London, Frank Cass, 1977. 292p.

Stewart, Walter. *Strike!* Toronto, McClelland and Stewart, 1977. 224p.

Industrial Health

Canadian law and the control of exposure to hazards, by Robert T. Franson and others. Ottawa, Supply and Services, Canada, 1977. 152p.

Science Council of Canada. *Policies and poisons; the containment of long-term hazards to human health in the environment and in the workplace.* Ottawa, Supply and Services Canada, 1977. 76p. Titre en français: L'ambiance et ses contaminants; une politique de lutte contre les agents toxiques à retardement de l'ambiance professionnelle et de l'environnement.

Williams, Roger. *Government regulations of the occupational and general environments in the United Kingdom, the United States and Sweden.* Ottawa, Supply and Services, Canada, 1977. 155p.

Industrial Relations

Turner, Herbert Arthur. *Manage-*

ment characteristics and labour conflict; a study of managerial organization, attitudes and industrial relations, by H.A. Turner, Geoffrey Roberts and David Roberts. Cambridge, Eng., Cambridge University Press, 1977. 80p.

Job Enrichment

Lefebvre, Claude. *L'amélioration des conditions de travail dans les emplois administratifs*, par Claude Lefebvre et Gérard Rolloy. Paris, Chotard et associés éditeurs, 1976. 260p.

Journey to Work

Gera, Surendra. *Residential and job location and the journey-to-work: a review and theoretical perspective*, by Surendra Gera and Peter Kuhn. Ottawa, Economic Council of Canada, 1977. 100p.

Labour Conditions

Lefebvre-Girouard, Astrid. *L'appauvrissement des petits salariés: étude comparative de différents groupes de travailleurs et d'anciens travailleurs devenus chômeurs ou assistés sociaux*, par Astrid Lefebvre-Girouard et Nicole Gauthier. Collaboration spéciale: Jean Renaud. Montréal, Centre des services sociaux du Montréal métropolitain, 1977. 2 v.

Labour Leaders

Gernigon, Bernard. *Tenure of trade union office.* Geneva, International

Labour Office, 1977. 112p. Titre en français: Procédures d'élection et de destitution des dirigeants syndicaux.

Lazarus, Morden, ed. *Up from the ranks*; biographical sketches of 115 trade union leaders, past and present. Toronto, Ontario Federation of Labour, 1977. 133p.

Labour Turnover

Price, James Lester. *The study of turnover*. Ames, Iowa, Iowa State University Press, 1977. 160p.

Mass Media and Labour

Trade unions and the media. Edited by Peter Beharrell and Greg Philo. London, Macmillan, 1977. 150p.

Noise

Canada. Department of Labour. Legislative Analysis. *Occupational noise legislation, 1977*. Ottawa, 1977. 44, 47p. Titre en français: Législation régissant le bruit dans le milieu de travail.

Professions

Disabling professions, by Ivan

Illich and others. London, Marion Boyars, 1977. 127p.

Public Administration

Public administration in Canada; selected readings, edited by Kenneth Kernaghan. 3d ed. Toronto, Methuen, 1977. 372p.

Quality of Working Life

Noble, Iris. *Life on the line*; alternative approach to work. New York, Coward, McCann & Geoghagan, 1977. 95p.

What's QWL? Definitions, notes, and bibliography, by Keith Newton and Norman Leckie. Ottawa, Economic Council of Canada, 1977. 124p.

Shop Stewards

Batstone, Eric. *Shop stewards in action*; the organization of work-place conflict and accommodation, by Eric Batstone, Ian Boraston and Stephen Frenkel. Oxford, Eng., Basil Blackwell, 1977. 316p.

Wage Determination

Maslove, Allan Michael. *The*

compensation decisions of the Anti-Inflation Board, by Allan M. Maslove and Gene Swimmer. Ottawa, Carleton University, Department of Economics, 1977. 27p.

Wages and Hours

Chapman (H.V.) & Associates Limited. *Management compensation in Canada, 1977*; a report on compensation in fifty senior and middle management positions. Toronto, 1977. 390p.

Women — Employment

Binkin, Martin. *Women and the military*, by Martin Binkin and Shirley J. Bach. Washington, Brookings Institution, 1977. 134p.

Dulude, Louise. *The status of women in federal crown corporations*. Ottawa, Advisory Council on the Status of Women, 1977. 59p.

Work

Anthony, P.D. *The ideology of work*. London, Tavistock Publications, 1977. 340p.

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1976: October

1977: January, February, August, October, November.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

PRICES, EMPLOYMENT, AND EARNINGS

THE CONSUMER PRICE INDEX — DECEMBER 1977

The Consumer Price Index (1971 = 100) advanced to 167.2 in December from 166.1 in November, an increase of 0.7 per cent. This brought the year-over-year increase to 9.5 per cent, the highest twelve-month increase for two years. At the beginning of 1977 the rate of inflation was 6.1 per cent. Since then it has been increasing steadily.

Food prices were responsible for most of the December increase. A month-to-month increase of 1.6 per cent in the food index contributed 65 per cent to the overall advance. Higher prices for meat, especially beef, and fruit and vegetables — particularly fresh vegetables which increased 10.6 per cent over the month — were the main contributors to the latest increase.

Moderate advances in the price of cereal and bakery products, as well as fats and oils, and lower prices for eggs and coffee, had some mitigating effects on food prices. The index for food consumed at home increased by 1.8 per cent in December to bring the index 17.7 per cent higher than December 1976, the highest twelve-month rise since May 1974.

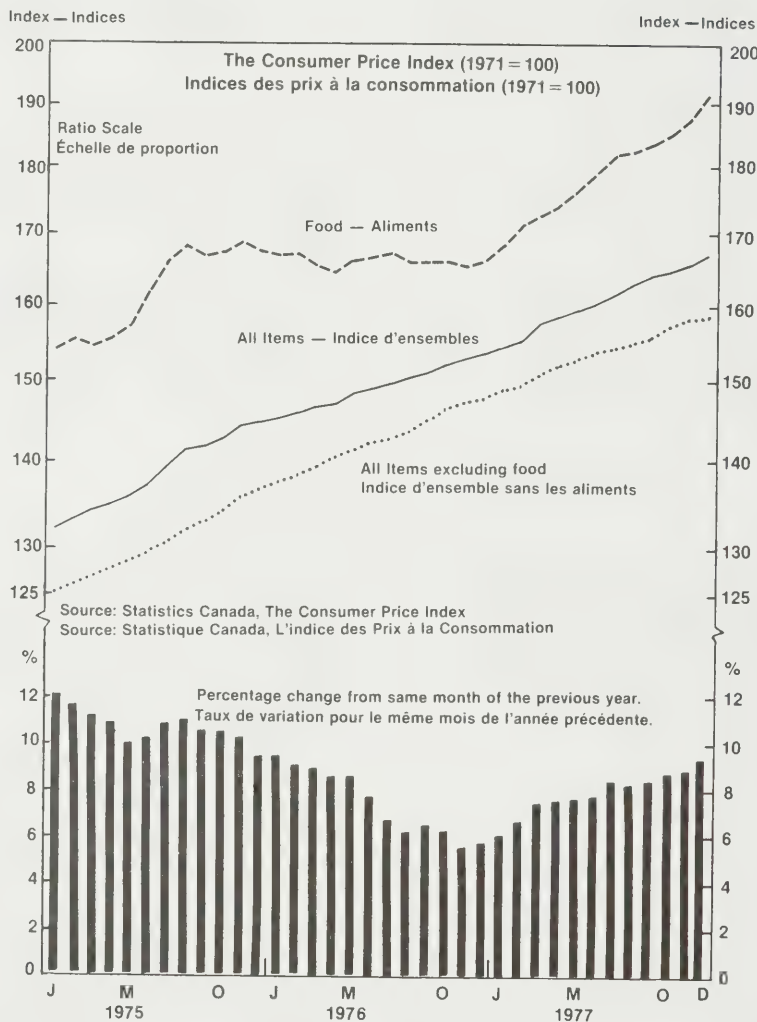
The non-food components of the CPI increased a moderate 0.3 per cent from November and 7.4 per cent from December 1976. The latest increase was supported by higher prices for furniture and appliances along with price increases for cigarettes. Higher charges for dry cleaning services

and train fares also had notable impacts. Small decreases in the recreation index and women's clothing partially off-set these price increases.

The current annual rate of change, based on seasonally adjusted movements in the latest three months, continued to increase.

From October to December the monthly increases of the all-items index, seasonally adjusted at annual rates, increased to 11.2 per cent, compared with 7.4 per cent for the previous three months.

The annual average of the CPI increased 8.0 per cent in 1977 compared with 7.5 per cent in



1976. The food index advanced 8.4 per cent and all-items excluding food rose 7.8 per cent. The largest annual increase of the major components was the housing index with an increase of 9.4 per cent. Annual percentage increases in other components were: clothing, 6.8; transportation, 7.0; health and personal care, 7.4; recreation, education and reading, 4.8; tobacco and alcohol, 7.1.

THE LABOUR MARKET — DECEMBER 1977

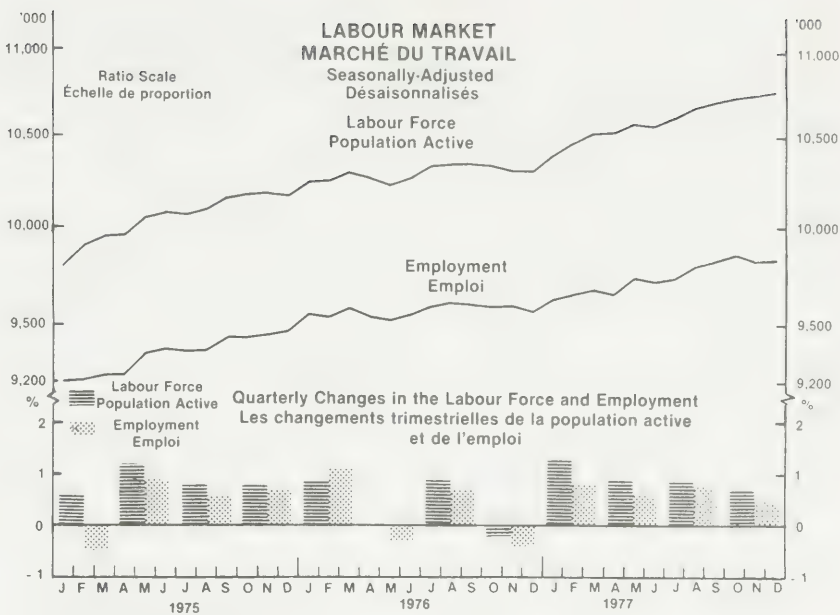
Seasonally adjusted data — changes from November 1977

The unemployment rate rose to 8.5 per cent in December from 8.4 per cent in November. This increase occurred as the labour force increased slightly but still greater than the increase in employment.

In 1977, employment increased by 182,000 (or 1.9 per cent) to 9,754,000, and the unemployment rate increased a full percentage point to 8.1 per cent.

Employment continued to be weak for the second consecutive month. After declining in November, employment increased only marginally during December — as a result, growth in the fourth quarter was the weakest of the year. There was an advance in adult employment in the fourth quarter but this was largely offset by a sharp decline in youth employment.

A significant drop in the participation rate of youths was responsible for a small decline in the overall participation rate. The adult rates, for both sexes, increased slightly. The drop in the youth rate resulted in large declines in the labour force and in employment; consequently, the unemployment



SOURCE: Statistics Canada, Labour Force Survey.
Statistique Canada, Enquête sur la population.

rate for young people 15-24 years, was unchanged in December at the record high of 15.2 per cent. A strong growth in adult female employment (25,000 or 1.0 per cent) was accompanied by a similar growth in the labour force and so the unemployment rate remained at 7.8 per cent. An increase in the unemployment rate for adult males to 5.0 per cent was due to a faster growth in the labour force than in employment.

Regionally, increases in unemployment rates were recorded in Ontario (7.1 per cent) and Quebec (11.5 per cent) as the level of employment declined in both provinces. The rates remained unchanged in the Prairies (5.1 per cent) and British Columbia (8.5 per

cent) as the increases in employment were matched by similar increases in the labour force. In the Atlantic provinces (13.3 per cent) a decline in the unemployment rate was due to a steeper drop in the labour force than in employment.

Employment in the goods-producing sector declined in December as reductions in employment in the agriculture, other primary and construction industries outweighed the strong growth in manufacturing. In the service sector, employment recovered from the loss during November. However, none of the service industries recorded strong growth.

— Annual averages for 1976 and 1977:

	1976			1977		
	'000	Change	%	'000	Change	%
Labour force	10,308	248	2.5	10,616	308	3.0
Employment	9,572	209	2.2	9,754	182	1.9
Unemployment	736	39	5.6	862	126	17.1
Unemployment rate	7.1	0.2	—	8.1	1.0	—
Participation rate	61.1	0.0	—	61.5	0.4	—

Unadjusted data

The actual level of employment was 9,729,000 in December, 2.7 per cent higher than a year ago. The labour force stood at 10,612,000 in December 1977, an increase of 3.7 per cent from December 1976. Thus the actual number of unemployed was 882,000, an increase of 128,000 from a year ago.

The unadjusted unemployment rate was 8.3 per cent in December compared with 7.9 per cent in November and 7.4 per cent in December 1976. The average duration of unemployment was 14.1 weeks in December 1977 compared with 13.3 weeks in December 1976.

JOB VACANCIES — SEPTEMBER TO NOVEMBER, 1977

The average number of vacant jobs for the three-month period September-November declined 13.8 per cent to 46,200 from 53,600 vacancies reported in the June-August period. Vacancies for full-time jobs decreased by 14 per cent to 39,800 from the preceding period. Vacancies unfilled for more than four weeks declined by 8 per cent to 14,200.

For every 1,000 existing jobs in the latest three-month period, five were vacant, one less than both the preceding period and the same period a year ago. The highest vacancy rates were observed in Alberta (10 per 1,000) with Ontario next (6 per 1,000). The lowest rate

(3 per 1,000) occurred in Newfoundland and Nova Scotia.

EARNINGS AND INCOME — OCTOBER 1977

Average weekly earnings for the industrial composite increased 0.5 per cent, on a seasonally adjusted basis, between September and October. All industry divisions shared in the increase except forestry, which declined 1.6 per cent after a large increase in the previous month. All regions except the Atlantic region recorded increases over the month.

In manufacturing, the increase in average weekly earnings, seasonally adjusted, was 0.3 per cent to \$271.99 in October. Average hourly earnings for the hourly rated wage earners increased 11 cents to \$6.55, while average weekly hours increased slightly to 38.7 hours.

On an unadjusted basis, average weekly earnings for the industrial composite increased 9.7 per cent to \$257.80 in October from \$235.03 a year ago. After adjustments for price changes this increase amounted to 0.5 per cent. Regionally, average weekly earnings in the Atlantic Provinces was \$226.26 (year-over-year increase of 9.0 per cent); Quebec \$253.61 (10.9 per cent); Ontario \$257.38 (9.1 per cent); Prairies \$254.34 (9.4 per cent); and British Columbia \$291.99 (9.4 per cent).

Total labour income was estimated

at \$10,351 million for October. The moderate increase of 8.8 per cent from a year ago is explained by large retroactive payments recorded during October 1976. Seasonally adjusted wages and salaries increased by a little over \$43 million (or 0.5 per cent) between September and October to \$9,334 million.

STRIKES AND LOCKOUTS — OCTOBER 1977

During October there was a significant drop in strike activities. There were 142 work stoppages, 44 fewer than September; 22,307 workers were involved (compared with 32,328 in September), and 243,050 man-days were lost (311,680 in September). The number of man-days lost has been declining gradually from the high of the year recorded in July, and it was the lowest since March 1977.

Man-days lost as a per cent of the estimated working time of all non-agricultural paid workers decreased to 0.14 per cent from 0.17 per cent in September. For the year so far 3.1 million man-days have been lost compared with 10.9 million for the same period in 1976.

The manufacturing sector accounted for more than 60 per cent of the man-days lost in October. There were 154,340 man-days lost compared with 195,950 in September. The ratio of time lost to time worked declined to 0.39 per cent from 0.48 per cent in September.

labour statistics

LABOUR MARKET

	Unadjusted			Seasonally Adjusted				
	Dec. 1976	Dec. 1977	% change ¹	Oct. 1977	Nov. 1977	Dec. 1977	% change ² Nov.	Dec.
TOTAL	(numbers in thousands)							
Labour Force	10,230	10,612	3.7	10,730	10,738	10,753	0.1	0.1
Employment	9,476	9,729	2.7	9,844	9,838	9,842	- 0.1	0.0
Unemployment	754	882	7.0	886	900	911	1.6	1.2
Unemployment Rate (%)	7.4	8.3	—	8.3	8.4	8.5	—	—
Participation Rate (%)	60.0	60.9	—	61.8	61.8	61.7	—	—
Both Sexes: 15-24	59.9	60.0	—	63.7	63.5	62.8	—	—
Men:	76.1	76.4	—	77.8	77.8	77.8	—	—
— 25 and over	80.4	80.6	—	81.0	80.9	81.1	—	—
Women:	44.4	46.0	—	46.3	46.3	46.3	—	—
— 25 and over	40.7	42.9	—	42.3	42.3	42.7	—	—
EMPLOYMENT	9,476	9,729	2.7	9,844	9,838	9,842	- 0.1	0.0
Both Sexes: 15-24	2,326	2,325	- 0.0	2,464	2,448	2,422	- 0.6	- 1.1
Men:	5,941	6,025	1.4	6,155	6,147	6,146	- 0.1	- 0.0
— 25 and over	4,690	4,783	2.0	4,810	4,816	4,821	0.1	0.1
Women:	3,535	3,704	4.8	3,689	3,691	3,696	0.1	0.1
— 25 and over	2,461	2,622	6.5	2,570	2,574	2,599	0.2	1.0
Paid Workers	8,554	8,742	2.2	8,862	8,832	8,814	- 0.3	- 0.2
— Non-Agriculture	8,431	8,638	2.5	8,716	8,696	8,687	- 0.2	- 0.1
In Industries								
Agriculture	437	413	- 5.5	483	476	458	- 1.4	- 3.8
Manufacturing	1,915	1,894	- 1.1	1,886	1,889	1,920	0.2	1.6
Construction	617	601	- 2.6	642	656	634	2.2	- 3.4
Trade	1,697	1,745	2.8	1,737	1,702	1,706	- 2.0	0.2
Services	2,606	2,782	6.8	2,749	2,773	2,785	0.9	0.4
By Regions								
Atlantic	710	721	1.6	735	740	738	0.7	- 0.3
Quebec	2,441	2,490	2.0	2,508	2,517	2,514	0.4	- 0.1
Ontario	3,664	3,773	3.0	3,831	3,806	3,800	- 0.7	- 0.2
Prairies	1,630	1,685	3.4	1,709	1,704	1,709	- 0.3	0.3
British Columbia	1,030	1,061	3.0	1,067	1,067	1,071	- 0.0	0.4
UNEMPLOYMENT RATE (%)	7.4	8.3	—	8.3	8.4	8.5	—	—
Both Sexes: 15-24	13.4	14.9	—	14.8	15.2	15.2	—	—
Men:	6.9	7.9	—	7.3	7.5	7.7	—	—
— 25 and over	4.7	5.3	—	4.8	4.8	5.0	—	—
Women:	8.1	9.0	—	9.8	9.8	9.7	—	—
— 25 and over	6.2	7.3	—	7.7	7.8	7.8	—	—
By Regions								
Atlantic	11.2	12.9	—	13.5	13.7	13.3	—	—
Quebec	9.4	11.2	—	11.4	11.4	11.5	—	—
Ontario	6.3	6.8	—	6.8	6.8	7.1	—	—
Prairies	4.2	5.1	—	4.8	5.1	5.1	—	—
British Columbia	8.2	8.0	—	8.5	8.5	8.5	—	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1977			% Change From Previous Year			Current Annual Rate of Change		
	Oct.	Nov.	Dec.	Oct.	Nov.	Dec.	Oct.	Nov.	Dec.
All-Items (1971 = 100)	165.0	166.1	167.2	8.8	9.1	9.5	9.5	10.8	11.2
Food "	186.9	188.4	191.5	12.7	13.9	15.4	12.0	17.3	22.7
Total Ex-Food "	157.3	158.3	158.8	7.3	7.4	7.4	8.8	8.5	6.8

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Oct. 1976	Oct. 1977P	% change ¹	Aug. 1977P	Sept. 1977P	Oct. 1977P	% change ² Sept.	Oct.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite (\$ Current)	235.03	257.80	9.7	252.35	254.56	255.73	0.9	0.5
Real (\$ 1971)	154.42	155.21	0.5	154.91	154.28	153.96	- 0.4	- 0.2
By Regions:								
Atlantic	207.61	226.26	9.0	222.49	227.54	225.92	2.3	- 0.7
Quebec	228.74	253.61	10.9	247.91	250.14	251.47	0.9	0.5
Ontario	235.82	257.38	9.1	251.60	254.13	254.88	1.0	0.3
Prairies	232.40	254.34	9.4	250.59	250.87	253.35	0.1	1.0
British Columbia	266.81	291.99	9.4	284.45	285.44	288.87	0.3	1.2
Manufacturing:								
Average Weekly Earnings (\$)	248.16	275.09	10.9	268.74	271.25	271.99	0.9	0.3
Average Hourly Earnings (\$)	5.92	6.58	11.1	6.43	6.54	6.551.7		0.2
Average Weekly Hours	38.9	39.1	0.5	38.9	38.6	38.7	- 0.8	0.3
Total Labour Income (\$ Million)	9,511.2	10,351.0	8.8	10,045.2	10,053.0	10,100.9	0.1	0.5
Wages and Salaries - Total	8,810.3	9,566.9	8.6	9,287.3	9,291.3	9,334.5	0.0	0.5
— Manufacturing	1,933.8	2,145.8	11.8	2,086.9	2,085.2	2,099.4	- 0.1	0.7

JOB VACANCIES

	Unadjusted					3 Months Ending Nov.	Seasonally Adjusted		
	1976		1977				1977		
	III	IV	I	II	III		I	II	III
(numbers in thousands)									
All categories	62.3	40.3	39.7	49.7	52.2	46.2	46.8	47.8	42.9
Full-time	54.7	35.8	35.3	43.2	45.4	39.8	41.0	41.5	37.4
Part-time	20.3	13.9	12.4	13.2	15.9	14.2	13.7	14.4	12.5

STRIKES AND LOCKOUTS

	1976				1977				
	I	II	III	IV	I	II	III	Sept.	Oct.
Strikes and Lockouts	172	209	203	143	119	159	177	186	142
No. of Workers Involved	125,271	231,695	112,173	342,621	23,948	34,555	36,706	32,328	22,307
Man-days Lost — Total	610,433	864,817	1,466,900	927,813	215,677	346,553	394,273	311,680	243,050
— Manufacturing	421,673	296,383	501,157	278,540	110,100	207,630	189,653	194,950	154,340
Man-days Lost as a % of Estimated Working Time	0.35	0.48	0.79	0.50	0.12	0.19	0.21	0.17	0.14
— Manufacturing	1.08	0.74	1.18	0.67	0.28	0.52	0.46	0.48	0.39

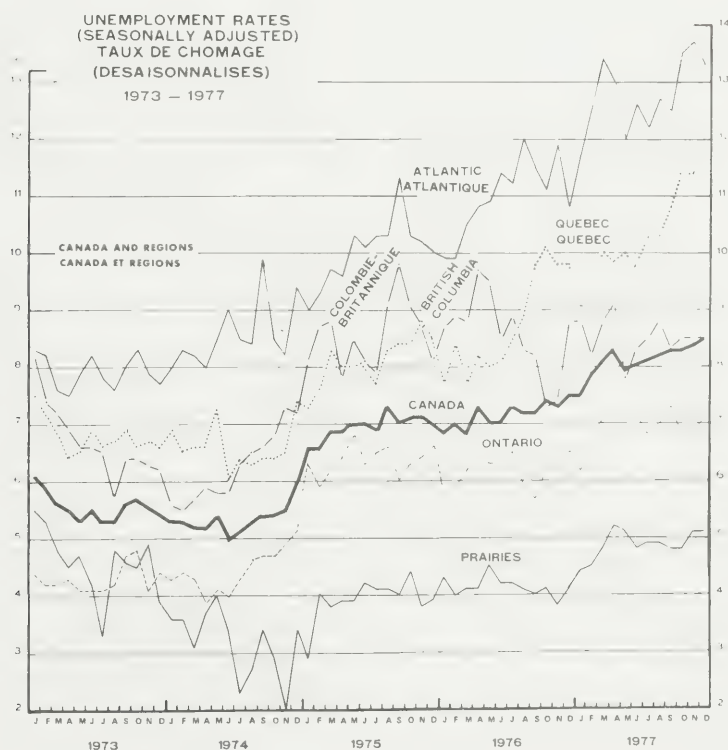
¹Per cent change from previous year.

²Per cent change from previous month.

Source: Statistics Canada, The Labour Force, Cat. No. 71-001.

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976	\$2.65	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1977	\$2.70	under 18: \$2.40
Quebec	July 1, 1978	\$2.75	under 18: \$2.40
Quebec	January 1, 1978	\$3.27	under 18: \$3.07
Saskatchewan	January 31, 1978	\$3.15	no special rates
Saskatchewan	June 30, 1978	\$3.25	no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates



STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, NOVEMBER 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1976					
November	52	138	54,886	498,700	0.26
December	37	110	45,090	249,020	0.13
1977*					
January	47	113	29,132	227,670	0.13
February	45	111	19,272	193,140	0.12
March	69	133	23,441	226,220	0.12
April	76	160	39,133	353,400	0.21
May	60	154	32,857	359,740	0.20
June	59	162	31,675	326,520	0.17
July	51	169	40,805	466,650	0.26
August	68	175	36,984	404,490	0.20
September	65	186	32,328	311,680	0.17
October	42	142	22,307	243,050	0.14
November	37	127	32,870	317,190	0.17
January-November 1977*		685		3,429,760	0.17
January-November 1976		1,002		11,361,070	0.57

*Preliminary

WORK STOPPAGES BY INDUSTRY, NOVEMBER 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Nov.)
		Number	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	0	0	0	63,810
Fishing	0	0	0	0	20,800
Mines	0	2	180	3,960	119,710
Manufacturing	15	53	9,498	141,890	1,819,990
Construction	5	8	1,862	7,190	429,080
Transp. & Utilities	4	17	12,684	99,500	292,810
Trade	1	14	529	11,150	153,410
Finance	0	1	8	180	11,010
Service	9	23	7,123	40,680	362,250
Public Admin.	3	9	986	12,640	156,890
Various Industries	0	0	0	0	0
TOTAL	37	127	32,870	317,190	3,429,760

WORK STOPPAGES BY JURISDICTION, NOVEMBER, 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Nov.)
		Number	Workers involved	Duration in man-days	
Nfld.	1	2	1,403	1,160	129,350
P.E.I.	0	0	0	0	0
N.S.	1	3	97	1,180	21,030
N.B.	2	3	504	2,300	38,430
Québec	13	69	14,353	187,120	1,600,360
Ontario	13	30	4,714	34,020	1,079,410
Manitoba	2	2	507	1,140	28,350
Saskatchewan	3	5	129	1,740	33,660
Alberta	0	3	295	6,440	86,210
B.C.	2	5	670	5,050	144,580
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	37	122	22,672	240,050	3,161,380
Federal Public Service(1)	0	0	0	0	12,860
Federal Industries(2)	0	5	10,198	77,140	255,520
Federal total	0	5	10,198	77,140	268,380
TOTAL	37	127	32,870	317,190	3,429,760

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1976. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

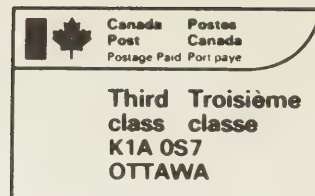
Occupational safety and health

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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 EQUAL
RIGHTS



EMPLOYEE FITNESS

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**Labour
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EMPLOYEE COMPENSATION

Dental plans

Dental insurance is expected to be a popular bargaining issue in employee compensation packages this year. The introduction of the AIB regulations in 1975 inhibited the development of dental plans because their cost was included in total compensation — but in the post-control era this is expected to change.

Unlike pensions or life insurance, dental benefits save tax dollars and can be realized immediately in both improved health and in reduced dental expenses.

At the end of 1976, more than 4 million people were covered by dental plans in Canada; all provincial governments, except British Columbia provided limited dental coverage for all residents and most provinces have extended coverage for children.

The cost to an employer for an intermediate dental plan is about \$192 a year per family, but annual premiums for family coverage can range from \$120 to more than \$400 for comprehensive coverage.

The Conference Board of Canada has released a 111-page report titled *Dental Plans in Canada: A Growing Employee Benefit*.

based on "hypothetical and unscientific statements."

The report says wage behavior in the public sector poses a serious threat to economic stability, particularly in periods of stagflation. The authors based their conclusion on a survey of more than 3,200 collective agreements covering bargaining units of 500 members or more in the public and private sectors during the 1967-75 period — before the anti-inflation program began. At the start of that period, public and quasi-public sector employees made up only 14 per cent of all workers covered by the major agreements; at the end of the period they made up almost 50 per cent.

WAGES

Study recommends policy for public sector

A study published by the Economic Council of Canada says governments should implement a wage policy for the public sector but that it can be effective only if public service unions agree to it. The first reaction from the 177,000-Public Service Alliance of Canada suggests any such agreement will not come easily, however.

The 117-page report, entitled *Wage Determination in Major Collective Agreements in the Private and Public Sectors*, was prepared by

two academics from Université de Montréal, Robert Lacroix, director of the department of economics and Jean-Michel Cousineau, a professor at the school of industrial relations.

They do not recommend any specific public-sector wage policy but, in insisting on the need for union agreement with whatever policy is adopted, say this can be achieved "only if unions are convinced" that a policy is needed. They add, optimistically: "We feel that the results and analyses of our study may be of use in demonstrating" that need.

PSAC President Andrew I. Stewart was not convinced. In a statement issued Jan. 18 he challenged the validity of the report, claiming it is

The researchers find public-sector wages less sensitive to market conditions than those in the private sector, and say that wage developments in the public sector exert upward pressure on private-sector wages, with undesirable consequences for employment, inflation and the competitive position of the Canadian economy.

They contend also that there is no reason to control wages in the private sector since they are already subject to market restrictions, but add that private-sector wage settlements would be easier to achieve "if they were not regularly subject to the pressure of particularly generous settlements in the large public sector."

"As wages in the public sector are primarily the result of political decisions," they argue, "a wage

policy must be devised and implemented essentially to guide such decisions.” That policy “must seek to bring public and private sector wages in line.”

“This is obviously easier said than done, since any wage policy devised unilaterally will not alter union pressure or the ‘vulnerability’ of governments to such pressure,” they state. That is why, to be effective “the policy must be based on agreement between the parties concerned.”

Stewart says the study has “wrongly” singled out the public sector as a source of inflationary pressure: “In reality, what Canadians have witnessed since the beginning of collective bargaining in the public service is not an overtaking of private sector wage rates but an attempt at catching up.”

The PSAC president said the authors’ own data demonstrate that pay in the public sector increased only one-half of 1 per cent more than in the private sector over the 1967-75 period. He said that is hardly enough to justify the report’s contention that wage behavior in the public sector poses a serious threat to economic stability.

COLLECTIVE BARGAINING

Paid educational leave

The United Auto Workers Union has negotiated 35 collective agreements in Canada that provide paid leave for union education. The Canadian Union of Public Employees has adopted a strong policy statement on paid educational leave, and is urging its locals to make it a priority issue in bargaining. And the International

Union of Electrical Workers and the Canadian Paperworkers Union have also made it a bargaining issue.

Larry Wagg, education director of the Canadian Labour Congress, reported these developments in a Jan. 22 address to the Ontario Federation of Labour’s education conference at Niagara Falls. He predicted that more CLC affiliates will be attaining paid educational leave through collective bargaining in the coming months.

Under the UAW agreements, Wagg said, the employer pays 1 cent per hour per employee into a trust fund established by the union to cover the cost of paid educational leave. The employers will grant leave of absence without pay for up to 20 days class time plus travelling time to members of the bargaining unit selected by the union each year.

As a result of this, and the recent federal grants for labour studies, community colleges and universities are reportedly showing increased interest in labour education.

LABOUR COSTS

Canada’s position

Canada’s international competitive position — measured in terms of labour costs per unit of output in local currency — deteriorated in relation to the United States during the 1970-76 period but improved in relation to seven other major industrial countries, according to a study by Citibank, New York. And in terms of U.S. dollars, Canada’s position improved in relation to nine major industrial nations.

In terms of local currency, these

are the respective percentage increases in unit labour costs for 11 countries during the period: Italy 137, Britain 126, Sweden 98, Japan 92, France 65, Netherlands 63, Belgium 60, Canada 52, Switzerland 41, Germany 38, U.S. 35.

These are the respective increases as measured in U.S. dollars: Switzerland 143, Sweden 135, Japan 132, Netherlands 123, Belgium 106, Germany 100, France 91, Italy 79, Britain 70, Canada 61, U.S. 35.

Statistics Canada reports that unit labour cost increases in the U.S. were less than half those in Canada for 1975 and 1976 — 7.4 per cent in the U.S. against 15.1 per cent in Canada in 1975, and 3.6 per cent and 8 per cent respectively in 1976.

DISCRIMINATION

Height and career

As many as half of all working Americans may be victims of a seldom discussed and unintentional discrimination: bias against short people, a *U.S. News and World Report* survey shows. It adds, the problem facing many short people is “they don’t fit the image the boss has in mind” and are passed up for promotion and jobs but there is no legal recourse for the short person.

A separate survey by Robert Half, president of Robert Half Personnel Agencies Inc. of New York suggests the careers of millions have been hindered, even destroyed by the negative attitude of society toward shorter people. And a University of Pittsburgh study has revealed that men 6’2” or taller receive starting salaries 12.4 per

cent higher than those received by equally qualified men of 6' or shorter.

According to this U.S. survey, employers in the sales world believe a tall man is more intimidating and therefore better for sales work. In the blue-collar area, supervisors tend to believe short people cannot perform the hard tasks that go along with the job. Women trying to get into non-traditional jobs are often told they can't handle the work because they are too small.

WOMEN

"Biased" federal report

A federal study used as a basis for unemployment insurance policy, has come in for strong criticism in a report made public by the Advisory Council on the Status of Women.

The study was made public last year by Bud Cullen, minister of the Canada Employment and Immigration Commission, under the title "Comprehensive Review of the Unemployment Insurance Program in Canada." The Council said it was used in preparing amendments to the Unemployment Insurance Act, and that it is still in use as source material for an inter-departmental study of women in the labour force.

"Throughout this review, statements are made about women that bear no relationship to the data presented," says a report made public by Monica Townson, the Council's vice-president and director of research. The report was prepared for the Council by Elise Rosen and entitled "A Report on the Comprehensive Review of the Unemployment Insurance Program in Canada."

"Constant innuendoes about the labour force behaviour of women perpetuate widely-held myths and fail to take into account recent research on the subject," the report adds. "Women are referred to as 'secondary income earners with unstable employment patterns' leaving the reader with the strong impression that their salaries are not an essential part of family income."

"The Review is dangerously misleading in the picture it purports to draw of women claimants," Rosen adds. "It should not be used for policy purposes until a more thorough and detailed analysis of available information has been undertaken."

Rosen provides several examples to support her contention. One is the Review's discussion of labour force dropouts in which it says females have had more trouble finding jobs than males because females "might not have actively sought jobs and/or might have dropped out of the labour market." No statistical evidence is presented to support these statements, Rosen says, "but they are typical of the biased statements about female claimants to be found throughout the Review."

Sexual harassment

Sexual harassment on the job is just another part of the day-to-day routine reports *Ms.* magazine. The women hardest hit by sexual harassment are waitresses, clerks and factory workers — women who are poorly paid, cannot afford to quit their jobs and do not have the resources to pursue costly cases.

Many of these women complain they are threatened with loss of job, poor job recommendations and disgrace if they do not put up

with harassment from their boss or co-workers (whose activities are sanctioned by the boss).

Ms. reports that women who file complaints through the proper channels are often ignored, or fired or miss promotions and they should file official complaints to the Human Rights Commission. The American periodical quotes Freada Klein of the Alliance Against Sexual Coercion as saying, "I hope this becomes a large movement — like rape, like battered women — because it's also an issue of violence against women. To have services, resources and options offered in every community...would be the greatest thing that could happen."

INDUSTRIAL RELATIONS

Britain passes disclosure law

British legislation passed in 1977 gives recognized trade unions the right to obtain from employers information they consider necessary for informed collective bargaining. A Code of Practice indicates broad areas of information which could be considered suitable subjects for disclosure and states an employer has no legal obligation to disclose specific information.

It has been argued that the disclosure provisions are advantageous to both sides of the bargaining table because having open facts, figures, policy intentions and forecasts will lead to intelligent and realistic bargaining.

The weight of responsibility falls more on the trade unions than the employers because the union must identify as precisely as possible, preferably before negotiations, the nature of the information required.

Moreover, the Code places a particular responsibility on unions to "ensure negotiators are equipped to understand and use information effectively."

INDUSTRIAL DEMOCRACY

Key to involvement

Two social scientists who specialize in organizational behaviour have concluded that the strongest single factor in employee involvement in a job is the degree of participation in decision-making.

Douglas T. Hall and Samuel Rabinowitz reviewed the available research on job involvement and published their conclusions in the Fall 1977 issue of *The Wharton Magazine*. One of their assertions is that the style of the manager is not so important as the actual degree of decision-making an employee actually enjoys. They said participation usually involves one or more of five aspects: setting work goals; deciding on the methods and procedures to achieve goals; setting the work pace; participating in day-to-day problem-solving; expanding one's job or role to perform more efficiently.

They say the research does not support certain popular beliefs about work involvement. For example, job involvement may not significantly increase with higher status in the organization. Married people are not necessarily more involved than unmarried people. Men as a group are not more job-involved than women. Finally, it is not always possible to make a direct relationship between job involvement and job performance.

Characteristics of the job-involved

person would include a belief in the work ethic, a belief in personal control rather than control by outside forces, strong growth needs, and a sense of psychological success in work, the social scientists write.

Disclosure of information at McGraw-Hill

McGraw-Hill Inc. in the United States has adopted an "Employee Right to Know" policy intended to protect employees' privacy and to give individuals access to career-related information in their personnel files. Under the policy, personnel files are strictly confidential and information is disclosed only to authorized company personnel who need it for essential business purposes. Final warning memos are included in personnel files only where they result in an employee's dismissal; otherwise they are filed separately and destroyed when the particular problem is resolved. Finally, every employee is permitted to examine his own file and is not required to give a reason for doing so. However, the examination must be at an arranged time and in the presence of a senior personnel staff member or a local manager responsible for personnel. Employees may also request a review of information in the file which they consider to be inaccurate, misleading or unfair.

UNIONS

New generation of leaders

A new generation of younger, better educated and more outspoken union leaders are aiming to put the American labour movement on a more militant course says *U.S. News and World Report*.

In wage bargaining, the new union presidents are expected to be as tough as their predecessors, but their militance is expected to be most evident in political, social and legislative arenas.

The three biggest industrial unions in the U.S. will install new presidents soon — Douglas Fraser in the United Auto Workers, Lloyd McBride in the United Steelworkers and William Winpisinger in the Machinist's Union. At least eight replacements will occur on the AFL-CIO's 36-member executive council.

Labour organizations are expected to show more interest in enrolling new members but like the Machinists they will stop trying to organize plants that offer little hope of success and will closely target the organizing campaigns they do begin.

Winpisinger is convinced unions may be fighting a losing battle as long as labour's public image ranks "just ahead of Richard Nixon and just behind the used-car dealers."

HEALTH AND SAFETY

Radon claim accepted

The Ontario Workmen's Compensation Board has accepted the first work-related lung cancer claim for exposure to radon gas and its by-products above ground. Frank Hendrick, 63, who worked for Eldorado Nuclear Limited for 29 years at its uranium refinery in Port Hope, Ont., is considered 100 per cent disabled. He was involved in cleaning an industrial oven in 1955 and later in removing dust-bags from the ventilation system. Dr. William McCracken, executive director of the Board's medical

and rehabilitative services, says the company later phased out the processes that caused most of the trouble.

Acrylonitrile risk reduced

The United States labor department has taken emergency action to reduce the exposure of workers to an alleged cancer-causing chemical used in producing synthetic fibres. The emergency order, issued Jan. 16, is the first under the occupational safety and health administration's new policy to reduce the exposure of workers to cancer-causing chemicals. The order is to last for six months and reduces the amount of acrylonitrile workers may be exposed to in factories and processing plants to two parts per million parts of air, averaged over an eight-hour period. The previous permissible level was 20 parts. The administration said laboratory tests on mice establish that exposure to acrylonitrile poses a potential carcinogenic risk to humans.

U.S. government sued

An article in *Business Week* says a \$5.7 million settlement proposed to end a lawsuit involving former asbestos workers may set an expensive precedent for government accountability.

"The case brought by former workers at a Pittsburgh Corning Corp. plant in Tyler, Texas, is the first instance of the government accepting responsibility for failing to warn workers about workplace hazards," writes Jane S. Shaw. "It raises serious questions about the boundaries of that responsibility."

In 1974, 445 former fabricators of asbestos insulators, some of whom had cancer, sued the federal government as well as the compa-

nies that owned the already closed plant. The workers charged all parties with responsibility for the dangerously high levels of asbestos in the plant. The case against the government was based on three charges: (1) When a now-defunct Public Health Service division found high levels of asbestos at the plant in 1964 it did not let the workers know because it had signed a secrecy agreement with the company. (2) Labor department officers found excessive asbestos levels but never notified the workers. (3) The General Services Administration, which supplied asbestos from a federal stockpile, did not label the asbestos bags as hazardous.

"Ironically, most of the issues are now moot," Shaw observes. "Such secrecy agreements are unthinkable today — and illegal. The Occupational Safety and Health Administration insists that companies prominently post violation notices, has proposed that employees have access to company accident records, and even requires employers to pay workers for the time they spend accompanying OSHA inspectors.

"Nonetheless, the proposed settlement could shatter the government's traditional immunity from liability for errors made by its employees in the course of their official duties. The initial effect will be to weaken the government's case in handling hundreds of pending lawsuits that charge OSHA with failing to inspect sites or to warn of hazards."

Shaw says the settlement could scuttle efforts by OSHA Administrator Eula Bringham to train inspectors to use their judgment and to give them more discretion in issuing *de minimus* citations, which do not result in fines or written notices. The ultimate result of the settlement, she adds, "may

be that if an OSHA inspector makes a small error such as misreading an air-sampling device, the agency could be held legally responsible for an injury or an illness contracted by a worker who did not know the level of contamination he was exposed to."

THE WORKPLACE

Physical fitness programs in the U.S.

About 300 major companies in the United States offer all their employees physical fitness and exercise programs, according to the President's Council on Physical Fitness and Sports. Other firms offer special help to executives or to overweight employees, or diagnostic and other medical services to their workers.

Rising medical costs are only one of several reasons such plans are beneficial. They result in greater work output, more enthusiasm for work and less tension and "end of the day exhaustion," the Council says.

An example of the health programs offered is that of the Diamond Shamrock Corporation in Cleveland, Ohio. The chemical producing firm provides free medical examinations to its 700 employees. It hopes to identify occupational diseases by building up a medical history of each worker. The corporation provides the checkups in a specially built trailer, which 50 other companies have rented at a cost of more than \$90 for each worker examined.

General Motors' steering gear division at Saginaw, Mich., has also developed a mobile health screening unit. The findings of each medical checkup are inter-

preted by a central computer and fed back instantly to the unit. GM claims this diagnostic service has reduced lost work time wherever it has been used.

Rapidly increasing medical costs have made such health programs particularly valuable for employees. *Ammunition*, a publication of the United Auto Workers, claims medical care costs in the United States have risen by 700 per cent in the past two decades — from \$78 a year per person to \$547.

Job enrichment subsidized

A French government plan to underwrite 30 per cent of the cost of job-enrichment programs in private firms has provided more than \$9 million in grants to more than 60 firms since its establishment in September 1976. To qualify, a work-enrichment plan must be of "an extraordinary nature." It must incorporate innovative features, lead to a general change in the nature of the work and the work environment, and be applicable to other workplaces.

WORKING TIME

Effects of four-day week on leisure

A recent study finds that workers on a four-day work week spend no more time at leisure than those on a five-day week. Sociologists Karen Conner of Drake University and Gordon Bultena of Iowa State University found that workers with three-day weekends spend more time at "obligated" activities such as shopping, volunteer work and looking after children.

RETIREMENT

France sets precedent

France has taken a significant step toward lowering the retirement age at which workers can start drawing pensions. Under a recently enacted change, French manual workers will be able to retire at age 60 and receive full retirement benefits. All other workers will be covered by 1980 by the new French retirement-age law.

EMPLOYMENT

Need for new policies

The dilemma facing economic policy makers is clearly demonstrated in *Employment and Unemployment, Priorities for the Next Five Years*, a 68-page report from the Conference Board's division of Economic Research in New York City.

The report stems from a forum of high-level manpower specialists organized by the Conference Board to better define "the range of policies for dealing with unemployment that are likely to figure in national decisions" in the near future.

The specialists were contending with the need for new theories and policies since the old ones "no longer provide adequate answers to the twin evils of unemployment and inflation that have beset American society in the recent past," to quote K.A. Randall, the Conference Board president.

Their dialogue showed more agreement on diagnosis of the problems than on remedies for them. The parties agreed that unemployment

is too high and that "the" unemployment rate — lumping together a variety of individuals who differ markedly in their economic circumstances and the causes of their joblessness — has become inappropriate as a basis for policy. There was also a consensus that the standard fiscal and monetary policies adopted in the past would be unlikely, by themselves, to bring about large-scale reductions in unemployment — least of all among unskilled workers.

While a similar consensus did not develop over remedies, there was more support for limited public service programs for the long-term unemployed than for "government-as-employer-of-last-resort measures." The Board's director of special projects research, Leonard A. Lecht, who edited the report, noted that skepticism of government job guarantees "stemmed from the suspicion that the supply of job seekers would increase rapidly — if a person seeking a job were to be guaranteed employment at prevailing rates."

Soft demand for professionals

The Technical Service Council predicts little change during 1978 from the current soft demand for professional employees. It notes that many industrial plants are operating below capacity and that consumer spending on durable goods is likely to be weak.

N.A. Macdougall, general manager and director of the industry-sponsored personnel consulting and placement service, says spending on services may pick up but the service industries "are not large employers of professionals."

The Council's quarterly survey of 1,500 private-sector employees found 7 per cent fewer professional jobs open on Dec. 31, 1977 than at the end of 1976. Vacancies

in Quebec were down 15.1 per cent. One surprise was that job openings in Ontario exceeded those in the Prairie provinces for the first time since 1975.

Of the 100 occupational groups surveyed, demand was greatest for experienced mechanical sales engineers. Chemical, electronic and civil sales engineers were also in demand. Next in order were accountants, experienced plant engineers, process engineers, petroleum geologists and petroleum engineers. There was also a demand for experienced systems analysts and computer programmers.

The Council reported that recent layoffs by mining, food, paper and manufacturing companies have affected not only hourly-rated staff but also technologists, engineers, accountants, personnel managers and highly paid executives. "Employers are engaging consultants like the TSC to teach redundant professionals job-hunting techniques and to bolster their confidence," the Council said.

A successful part-time operation

Control Data Corporation's Selby bindery plant in St. Paul, Minnesota, operates almost entirely with part-time employees, and the company has considerable evidence that the bindery is efficient.

Only nine members of its work force of 148 are full-time people. The part-time staff normally works two shifts — from 8:30 to 2 p.m. and from 2:30 to 5 p.m. Most of the people on the early shift are mothers with school-age children and the late shift is manned by high school, college or vocational school students.

The plant which assembles and distributes computer manuals to Control Data customers throughout the world, attributes its competitiveness to relatively low overhead, absenteeism and turnover, and high productivity per worker. Employees receive quick feedback about their performance

and are made to feel "part of the institution." Moreover, in its seven years of operation, Selby has reportedly been a springboard for placing about 150 employees in higher paying jobs that require greater skill.

The U.S. labor department estimates that today 20 per cent of all unemployed people are looking only for part-time jobs, as against 10 per cent 20 years ago. Moreover, for every 5.5 full-time workers in the U.S. today, there is one voluntary part-time employee. This compares with one part-timer for every eight full-timers 10 years ago.

A substantial benefit of part-time work is that it reduces the need for working mothers to use a day-care centre for their children, and it enables students to put themselves through school or to supplement the family income. Moreover, it can provide experience that may prove valuable later in seeking full-time work.

Youth unemployment: some dimensions of the problem

The Canadian government will have to rely more heavily on the private sector to help solve one of the most serious problems resulting from inflation and a sagging world economy — youth unemployment.

Bud Cullen, Minister of Employment and Immigration told a high-level conference of the Organization for Economic Co-operation and Development (OECD) that an increasing reliance on the co-operation and participation of the private sector in both its training and job-creation programs for youth, "marks a significant development in Canada's labour market policy."

Cullen told members attending the December conference that Canada's youth work force has doubled since the postwar baby-boom, and that in 1977 more than 15 per cent of them were unemployed.

"High unemployment among young people imposes both economic and social costs," he said. "Not only do the productive capacities of youth, especially the highly educated, go unused, but young people's basic attitudes to work and society may also be influenced by the discouragement that accompanies high unemployment."

According to the minister, a lack

of experience or appropriate training often relegates workers between the ages of 15 and 24 to jobs that offer low pay, poor working conditions, little opportunity for training, and a propensity for layoff. Young people are the end of the employment queue — last hired and first fired.

Furthermore, he pointed out that such factors, "have contributed to a very unstable work pattern among Canadian youth, many of whom withdraw completely from the labour force for temporary periods."

In most OECD countries, youth unemployment rates are double or

triple those for adults. The countries hardest hit are Canada, Australia and Italy. OECD members report that present economic circumstances have tended to work against youth.

The current economic climate has also contributed to reduced labour turnover because those with jobs want to hold on to them and are less willing to risk changing than in previous years. Often adult women are competing with youth for the same jobs. Moreover, demographic pressure, which has resulted from an increase in both the relative and absolute supply of young workers, has come at the same time as a serious slackening of economic activity and labour markets.

Yet another dimension of Canada's youth unemployment problem is the annual influx of students seeking summer jobs. Cullen says that in July 1977 (the peak month of student job searching) the student labour force numbered

more than one million. Superimposed on the above dimensions have been the shorter-term effects of the cyclical downturn in aggregate demand.

Between 1965 and 1976, youth employment grew by only 28,000 — enough to absorb only one-fifth of this age group's labour force increase over the same period. By contrast, the extent of adult employment shortfall over that period was much less serious. Employment growth absorbed fully 75 per cent of the adult labour force increase.

Cullen told the conference, the federal government "has responded to this challenge as part of its overall response to the economic and labour market conditions it has faced," adding that the government's major tool has been its extensive support for training programs.

Many of the Canadian programs, like those in other OECD coun-

tries, depend on the co-operation and participation of the private sector. Most OECD members, for example, subsidize employment, create temporary employment opportunities and are introducing community development services for youth with the help of private industry.

Cullen also told the conference, that although institutional training remains the central feature of the Canada Manpower training program, greater emphasis is being placed on employer-centered training in recognition of the need for actual work experience for the young. In addition, provincial apprenticeship programs are partly underwritten by the federal government. More recently, he said, the federal government has developed an experimental project to use wage subsidies to encourage employers to increase the participation of teenage apprentices.

A total of \$450 million was allocated for Canada Works, Young Canada Works and other job-creation programs in 1977. Funding is expected to be maintained at the same levels this fiscal year.

Cullen said a prime concern is providing young school leavers with a period of on-the-job-experience so they can enter the labour market successfully. The Job Experience and Training Program (JET) subsidizes the wages of a young school leaver for 26 weeks in the private sector.

OECD members feel the root of the youth unemployment problem goes deeper than economic and demographic difficulties. They suggest there is an urgent need to prepare students for the work world, and to bring a new balance between general and vocational education as well as to provide better educational and employment counselling. [g]

Toronto Star Syndicate



"When you said you were going into the P.R. business, son, we naturally assumed that you meant Public Relations, not Punk Rock!"

Employee fitness programs: philanthropic venture or shrewd investment?

by Bill Megalli

*Nations have passed away and left no traces
And history gives the naked cause of it —
One single, simple reason in all cases,
They fell because their people were not fit.*

Rudyard Kipling

Canadians are leading the world in a field that holds hope for healthier, saner and more productive societies. It may also hold solutions to a variety of economic problems, from rampant health-care costs and soaring losses caused by absenteeism to brand new health-related dilemmas facing Canadian employers.

The answer, preventive physical fitness, is so simple that it tends to be belittled by many economists. They, apparently, prefer to pore over complicated graphs and computer data, occasionally coming up with stopgap measures or temporary sedatives. Economic factors are juggled on both sides of the equation, but the basic imbalance remains.

Taking Canada as a case in point, the picture is indeed telling. Authoritative but unofficial estimates indicate that no less than \$3 billion is lost annually to the Canadian economy as a result of sickness, absenteeism, tardiness and fatigue — not counting the many other incalculable intangibles that result from society's failure to adequately maintain its basic human unit. Already health care costs are stretching provincial

funds beyond the limits of endurance, and the result will inevitably be higher health premiums for individuals and companies. The Ontario Health Insurance Plan (OHIP) has already had to raise its spending in 1977-78 to the astronomical figure of \$3.8 billion, a three-fold increase over the \$1.23 billion figure for 1970-71. In 1974 alone, \$1.98 billion was spent on cardiovascular and pulmonary diseases, both closely associated with a sedentary life style and generally low health levels.

Statistics in the United States provide further proof. Figures recently quoted in *Ammunition*, a publication of the United Automobile Workers, indicate that medical care costs in the U.S. have risen from \$78 to \$547 per person over the past 20 years — a seven-fold increase. Meanwhile, hospital care costs have tripled over the past ten years to an average \$113 per day, with the cost of an average hospital stay now at \$885. With no OHIP counterpart in the U.S., medical insurance coverage has fallen behind. A recent survey showed that private insurance covers only 78 per cent of all

hospital expenses, less than 50 per cent of doctors' bills, and less than 7 per cent of other medical charges.

The only ray of hope in an otherwise depressing picture comes from statistics showing that, for the first time in years, the U.S. is registering a drop in the incidence of cardiovascular disease. The hitherto rising trend has suddenly turned downwards for mysterious reasons. Studies have pinpointed three possible causes: an increase in regular physical activity, dietary awareness, and heightened awareness of work stress. The fact is that the last two factors are by-products of the first: dietary awareness comes as a result of concern for physical fitness, while stress can be overcome by substituting unwinding physical activity for a previously sedentary way of life.

Declining health and rising medical care costs, which inevitably carry with them less work and efficiency, have so far prompted some 300 U.S. corporate giants to provide physical fitness and health screening facilities for their employees, according to the President's Council on Physical Fitness and Sports. It is highly significant that the largest companies, which usually have better tools of long-range planning and assessment, are the first to realize that employee fitness is far from being a frill or even a secondary-priority

Employees, as well as employers, are taking the initiative



issue. Benefits of fitness-related efforts in companies, according to the Council, include "greater work output and less tension, reduced end-of-the-day exhaustion, and more enthusiasm for work."

While Canada has certainly not been the first country to introduce employee fitness programs, the Canadian experiment is based on solid grounds and its balanced growth is already providing an example for the rest of the world to emulate.

A shining feature here in Canada is the fact that in many cases it is the employees themselves who take the initiative in starting their own program, with management eventually catching up. Employees of Bell Northern Research, near Ottawa, for example, have converted an old trailer into changing rooms and showers and have built an outdoor fitness trail on company land. Those at Metropolitan Life Insurance Co., Ottawa, clamored for inclusion of a fitness facility in blueprints for the company's new building. Manage-

ment asked employees to demonstrate the need for such a facility and allowed them to convert a basement storage area in the existing building into an exercise room, and to carpet some little-used corridors for an indoor jogging track. Some 225 employees, more than 25 per cent of the total work force, soon became active participants. The result is that the new Met Life building features a well-equipped fitness facility.

Benefits of fitness-related efforts include "greater work output and less tension...and more enthusiasm for work"

Employee initiative is perhaps at its best in Statistics Canada, where a number of staunch advocates of physical fitness have been fighting something of an uphill battle. In January 1976, they managed to obtain the use of the old auditorium of the Dominion Bureau of Statistics for an exercise area. When that area was

requisitioned to serve as a corridor to join the newest Statistics Canada building now under construction at Tunney's Pasture, they again lobbied to get the use of a first-floor medium-sized hall, which previously housed computers. These semihuman machines, which do not have nearly so pronounced a need for physical activity, had been moved to an air-conditioned room on the fourth floor. Pat Collette, who conducted some highly successful programs for government departments, was retained on an hourly basis, paid by the employees themselves, to conduct beginner, intermediate and advanced lunchtime classes.

"We have waiting lists already," said Edythe Frost of the financial department, who, along with friends, had already launched a two-year-old battle of the bulge, adding that "Women need fitness activities at work more than men."

"We have to go home early for daily household chores. After enlisting for two years with Vic Tanny's I had to quit because I

thought it was not fair to my family," she said.

At Statistics Canada, volunteers help with the classes, too, especially in Yoga and self-defence. At present, Frost and her group are lobbying for full facilities at the new Statistics Canada building. "We get a lot of help and sympathy. Many people from management are participants in our classes," she noted with hopeful confidence. "I am sure employee fitness on the national level is coming, for why should we lose all this health-care money when all we need is a good walk," she said.

Often the decision comes from the top, too, clearly reflecting a mutual meeting of interests. Johnson's Wax in Brantford has built spacious on-site fitness facilities for its 300 employees, including a gymnasium, a full-sized basketball court, squash courts, saunas, games room and refreshment area. The John Labatt Brewery evidently found its London, Ont., program so rewarding that it has established physical training facilities in its Toronto and Halifax units as well.

At present around 100 companies and government bodies are involved in some form of fitness program or other, a ratio which, according to Sandy Keir, manager of fitness programs for Recreation Canada, is at least equal to the much-publicized employee fitness drive in the United States. The impressive list runs from Cominco in Vancouver to Imperial Oil and Manufacturers Life in Toronto. It includes such names as the Bank of Canada and the Toronto Dominion Bank, the Post Office, the Public Service Commission, Health and Welfare and the Department of Public Works, Ottawa; CBC and Benson and Hedges, Montreal; Finning Tractor, Vancouver; Boeing and James Richardson and Sons, Winnipeg; Telecom, Calgary;

...a fitness drive can be launched merely by creating awareness of the need for one

and Industries du Hockey Canadien, Drummondville — to mention but a few.

It is significant that the list is growing steadily. The Department of Labour recently distributed an elaborate questionnaire sounding out employees on a possible fitness program after a number of employees at its Place du Portage headquarters in Hull requested that some type of physical fitness activity be organized. "In the first few days nearly 200 people responded affirmatively," said Loris Loewen of the union-management recreation committee. The next step is to decide, on the basis of the questionnaire, what type of facilities are required then ask for Treasury Board approval of expenditures.

The facilities will be put up by the Department of Public Works, it is hoped sometime this year. Despite federal austerity measures, the Treasury Board did approve expenditures for 22 pilot projects on fitness in various branches of government where employees demonstrated the need for them. The Department of Public Works itself allows some 600 fitness advocates to use its Confederation Heights facilities, which boast 16 showers and an exercise area that can easily accommodate 40 participants at any one time. The Confederation Heights facilities are operated by Maureen Starck and 30 volunteers because austerity measures permit no funding. Participants pay \$15 a year in fees, and the 24 weekly classes show that government employees — who may understandably be at odds on certain issues — see eye to eye on fitness. "We have people from justice, taxation, agriculture, transportation and almost every department," said Starck.



"Mr. Cribble here wishes to apply for the position of fitness instructor we advertised."

Canada's claim to leadership in the field is based on the fact that its employee fitness programs envisage a comprehensive, targeted and organized approach, in contrast with simple "industrial recreation" which prevails in the U.S., Europe and Japan. U.S. companies, for example, display expensive and showy training facilities, but visitors to the lavish Exxon Corp. training facility in Manhattan find the place, which appears to have been built primarily with executives in mind, deserted except for a solo ergometrist. The U.S. effort is commendable in many aspects, but is lacking in others. "During a recent information-exchange trip to the U.S., the Americans explained all they had in ten minutes, but they listened for a full hour to what our man had to say," said Keir.

The Canadian approach to employee fitness is documented in a valuable book published by Health and Welfare. The book, by Martin L. Collis from the Physical Education Division, University of Victoria, contains twelve inspiring chapters covering the various ins and outs of the subject. It even includes a chapter on legal aspects of company fitness programs.

The main motto of a wide variety of ongoing fitness programs appears to be, "make the most of what you have got." Keir and his team provide a graphic illustration of this dictum by often using their lunch hour for a "counter-gravity" jog up and down the 21-storey staircase of Journal Towers, where the State Ministry for Fitness and Amateur Sport has its headquarters. Keir was interviewed immediately after such a session, and the radiant health and presence of mind he displayed were those of a 20-year-old just starting his day.

Counselling and help to companies contemplating a fitness program is provided by the Ministry of State for Fitness and Amateur Sport and by the YM/YWCA. The latter have assisted in the development of a number of employee fitness programs. YMCA facilities are currently being used by employees of La Régie de l'assurance Maladie du Québec for their fitness programs, and in Montreal

Gathering proof for what is basic and pure common sense is often a monumental task...

YMCA consultants are running programs for Kruger Pulp and Paper and Catelli Foods. Indeed, YMCA involvement with employee fitness has been in evidence from Vancouver to Halifax.

Some companies, meanwhile, resort to the help of professional firms operating in the field of health and fitness. Often a number of companies may share costs of a contract with such firms because of the overriding importance of having expert leadership in fitness programs.

There are various formulae for such programs and facilities. One example of a model containing all the ingredients is that provided by the B.C. government, where two centrally-located complexes are available to all employees for a wide variety of individual and group programs. These are the Physical Activity Center, close to the Parliament Buildings, and the newer 1976 model, the Health Building on Blanshard Street. Covered bicycle parking in the garage for commuting employees is complemented by showers, while lockers and changing rooms are located on the first floor. Mileage maps are provided to runners who wish to pursue their

own programs while taking advantage of the shower and changing area. Carpeted exercise rooms are set up in the basement, with exercise wall charts and hints allowing individuals to pursue their own routine at their own convenience. Meanwhile fitness staff members make assessments and design programs for those who wish assistance. The program is supervised by Gordon Stewart of the Occupational Health Branch, who also publishes a witty fitness newsletter called *The Square Wheel*. The B.C. government program has a before-work group entitled "Morning Madness" and an after-work program called "Rush-Hour Blues", in addition to the midday "Out-to-lunch Bunch" programs.

The ideal program would have training facilities at or close to the workplace, complete with shower and changing rooms, which would enable employees to look decent after workouts. When prospective participants are faced with a 10-minute winter walk to a nearby hall, the warmth of the cafeteria can be very alluring, and people do not like to get dressed up in order to get undressed at the exercise facility. Moreover, without showers the prospect of vigorous exercise is not appealing. One of the aims of an exercise program is to send people away feeling good, and this is unlikely if they are hot and sweaty and possibly a little self-conscious that they are taking the smell of the locker room back to the office. The availability of lockers and showers also encourages such activities as cycling, walking, jogging or even skating to work. Cycling can be further encouraged by providing protected storage areas for bicycles.

The size of a fitness facility will obviously be related to the number of potential users, with a rough guide being 2½ square feet per

individual in an exercise room if a dynamic group program is to be pursued. An activity room that provides an exercise circuit, where individuals can follow a planned sequence of activities to develop the three main facets of fitness — cardiovascular efficiency, muscle tone and flexibility of joints — can vary from 300 sq. ft. to 1,000 sq. ft. or more. The IMPCO Health Screening Ltd. program in a typical Toronto office block has an activity area of approximately 800 sq. ft., where participants are scheduled throughout the day on a carefully prescribed activity circuit, which includes treadmill running, cycling on the ergometer, strength training on the weight machine and a variety of other strength and flexibility exercises. For group activity, it is difficult to run a dynamic program in an area of less than 1,600 sq. ft. People need room to run, dance and move freely. There is no question that such additional items as swimming pools, squash courts and saunas will add appeal to the fitness center and prestige to the employer, but they are harder to justify on a cost-benefit basis.

...the so-called sports boom in Canada involves only a small percentage of the population

To begin with, a fitness program will often have to prove itself viable before an employer will invest in a major new facility. Perseverance and ingenuity, coupled with a belief in the value of physical fitness, will usually uncover an area where an activity program can begin. No place is sacred when people feel the need to be active. Fitness programs are being born on rooftops and in board rooms, T.V. studios, corridors, cafeterias, parking lots, staff lounges and basements. The basement is perhaps the place to begin, with boxes moved, walls painted, carpets laid and showers installed. There are at least five basement programs now in progress in Ottawa. But as new buildings are designed to include fitness facilities, it is becoming apparent that physical exercise is no longer a purely underground movement. Developers and compa-

nies are proud of their new fitness facilities and are designing them to be bright and visible. However, it is a good idea to keep the actual activity area out of the public gaze, Dr. Collis' book suggests. People who are making their activity comeback after a 20 year layoff do not want to provide entertainment for the lunch-time loungers.

Sandy Keir simplifies the starting point further by saying that a fitness drive can be launched merely by creating awareness of the need for one. "Start with education, then motivation, then solutions, programs and leaders and finally a full facility with all the ingredients," as he puts it. His department sends out free copies of Swede Dr. P.O. Astrand's renowned booklet *Health and Fitness* to organizations that request them. To date Health and Welfare has printed almost a million copies.

The same philosophy was, in fact, adopted by the Ministry of State for Fitness and Amateur Sports in arranging the Dec. 1974 National Conference on Employee Physical



Fitness, hosting representatives of employers, employees and health professionals associated with 50 Canadian organizations. "Today there is a lot of enthusiasm for employee fitness. Everybody is talking about it and we receive many inquiries from companies who contemplate launching their own program," Keir said.

A vital prerequisite to a widespread fitness movement is, of course, showing in hard facts and figures how badly it is needed. Gathering proof for what is basic and pure common sense is often a monumental task, especially with scientists just beginning to unravel the intricate mysteries of the human body at the subcellular level. But as Canadian programs develop and data start to accumulate concerning the response of employees to fitness programs, the results are reassuringly familiar. In all companies with fitness programs, participants have shown quick improvements, including decreased resting heart rates and decreased body fat. Even a temporary pilot program can get employees "addicted" to physical activity. An example is the Career Assignment Program of the federal Public Service, where participants continued their involvement in exercise after the program ended.

There can be no question that well-conducted fitness programs work in terms of improving the fitness of the employees. However, of even greater interest to the employer is whether the success of an employee fitness program shows up in the long-run as a credit item on the firm's balance sheet. The question that has to be addressed is whether employee fitness is a philanthropic venture on the part of the employer, or a shrewd investment in protecting the human resources of the company or organization.



"Maybe we ought to set aside some space in the basement for fitness sessions."

There is a growing body of evidence pointing to the fact that an employee fitness program is good not only for the physical health of a company, but also its

Soaring medical-care bills and lost productivity prompt 100 companies and government bodies to introduce employee fitness programs

economic health. The costs of stress, accidents, and sickness related to a sedentary lifestyle are incalculable. Heart disease alone represents tens of thousands of lost working years to Canadian employers. The cost to employers nationally increased about 72 per cent in the ten-year period between 1965 and 1974. During the same period, wages increased 59 per cent.

A recently completed report for the Province of Ontario, entitled "The Relationship Between Physical Fitness and the Cost of Health Care," relates the physical

fitness of participants to their health-care costs, as measured by the frequency of doctor and hospital visits, number of days off work due to ill health and the amount of physicians' claims made under OHIP. The study reaches several significant conclusions, including an estimate that OHIP medical claims could be reduced by \$31 million if all adults aged 20-69 years were of at least average physical fitness.

In studying the companies currently offering employee fitness programs in Canada, one is struck by the number of insurance firms represented. The actuarial data available to these groups has convinced them of the value of maintaining a low-risk lifestyle, not only for their customers but also for their employees. In the United States, certain companies, such as M.O.N.Y., are already offering premium reductions to non-smokers, while other companies reward persons of appropriate body weight. Of greater interest still is the fact that a major company is currently working out

the details of offering *financial* incentives based on fitness testing and a coronary risk profile. Fitness can indeed be measured in dollars and cents.

Aid is available. Ontario provides grants of up to \$10,000 per company

At present, we have to look beyond Canada to find information relating employee fitness to such things as absenteeism and productivity, but as programs develop within this country, and researchers focus upon the economic benefits of fitness programming, we can anticipate that the facts will support the logical premise that employees who are physically fit will be more productive, less likely to be absent, less accident-prone than their unfit colleagues and less likely to quit their jobs. At a scientific congress held in Quebec City prior to the 1976 Olympic Games, Dr. V. Pravosudov of Leningrad had some interesting information in his paper entitled, "The Effect of Physical Exercise on Health and Economic Efficiency." It included estimates that a fit workforce in the U.S.S.R.

would mean an additional 140 million days worked, with millions of roubles in additional output; that regular physical activity had a favorable influence on mental labour productivity; that athletic workers have between 5 per cent and 15 per cent more output than nonathletes, and that unfit workers are two to three times more vulnerable to industrial accidents than their active colleagues.

Throughout Europe, where employee fitness programs have existed for many years, one can find evidence of the benefits of various types of such programs. In a testimony to the U.S. Council on Wage and Price Stability hearings on health care costs, Dr. R. Keeler noted that, "When a Goodyear plant in Norkjoping, Sweden, intro-

duced an employee fitness program, absenteeism among participants fell by nearly half. This result may be exceptional, but even a modest reduction would yield very substantial savings."

In the Council of Europe's *Sport for All* publication, reference is made to a number of studies in a chapter entitled "Physical Activity and Capacity for Work." For instance, errors made by women textile workers decreased 31 per cent in a group receiving regular exercise breaks. The benefits of a good fitness program can be measured not only in the tangible ways already mentioned, but also in more subtle ways. In the highly publicized study on the effects of a fitness program on N.A.S.A. employees in Washington, D.C., participants reported more positive work attitudes, less strain and tension, improved work performance and changes in leisure-time activity. Similar findings were reported by those involved in the National Health and Welfare fitness program in Ottawa. It is not difficult to see how the physical and mental benefits to the employee can quickly be translated into improved work performance and subsequent economic benefits to the employer.

A pioneering study is currently being undertaken by Recreation Canada on two large companies in Toronto and may yield more graphic proof. The six-month study, begun in January, includes gathering detailed data about employees via such measurements as fitness, weight, height, OHIP cost, productivity and attitude toward work. One of the companies is subjected meantime to a fitness and "life-styling" program, with the measurements continued regarding both companies to assess the difference. "The experiment is well documented and its findings, expected around



"Mr. Higgles has become so interested in his fitness program he no longer has time for work."



September, will likely be most interesting," according to Keir.

Names of the two companies have not been made public because, in order to guarantee spontaneous reactions and objectivity, the employees were not told about what was happening. Keir asserts that fitness programs carry their impact far beyond the boundaries of company exercise halls. True, an introduction to exercise is more needed at work, where individuals spend most of their time, rather than in leisure time which is frequently spent in sedentary TV-side calory consumption orgies. One gram of prevention is better than a ton of treatment, goes the old saying, and fitness campaigns

started at work can have a tremendous influence on reshaping social patterns and family life.

Canada's comprehensive outlook on fitness is also reflected in a strategy paper by Neil Collishaw, policy planning consultant at

No place is sacred when people feel the need to be active. Fitness programs are being born on rooftops and in board rooms...parking lots, staff lounges and basements

Health and Welfare. The paper, which will be reviewed by competent bodies in the coming months,

spells out an encompassing approach to fitness at all levels of society from school years to post-retirement.

Dr. Collis, in his book *Employee Fitness*, estimates that in a typical group of Canadians, less than 5 per cent will be regularly involved in vigorous physical activity — not withstanding the fact that Canadians have turned more and more to sports in the past few years.

Leading sports equipment manufacturers report a colossal boom in their sales. In 1976 Canadians bought an estimated 800,000 tennis racquets and close to five million tennis balls, double the purchases of three years ago. Adidas has tripled its sales of track shoes and racquet sport accessories in the past five years. Diversified Products of Canada Ltd., which supplies various types of fitness equipment, reports a 100 per cent increase in sales every year. Yet despite all this, the so-called sports boom in Canada still involves only a small percentage of the population.

Collishaw points out that he is among many people campaigning for removal of a two-year-old Treasury Board directive, which came as part of federal austerity measures, to prohibit allocation of any funds to convert parts of existing government facilities, such as basements, into exercise areas. Employees are also forbidden to tamper with government walls and floors even if they can raise necessary funds among themselves. On the other hand, the Province of Ontario is providing financial grants to companies that launch fitness programs or facilities, equal to the amount already spent by the company in question on such programs, up to a maximum of \$10,000. However, suggested measures for precipitating fitness development, such as

mandatory exercise facilities in new buildings or tax incentives for buildings that include such facilities, are a long way off. Collishaw suggests the only way to make such measures feasible is for the average Canadian to make the need for them felt. There is no point in expenditures or buildings that are not really needed. But the perspective can change dramatically if the employee fitness drive turns into a movement of national proportions.

Meantime, a searching look ahead reveals new facets of the subject just beginning to be appreciated that make fitness programs a pressing economic necessity. Foremost among these are changing demographic patterns, especially in industrialized countries, which indicate a sharp increase in the years ahead in the proportion of senior citizens in the total population. It is not only on humanistic grounds that a healthy way of life must be introduced early and maintained in later years — advances in medical treatment may make people live longer no matter how miserably — but also

...fitness campaigns started at work can have a tremendous influence on reshaping social patterns and family life

because of purely economic considerations.

Harold L. Sheppard, of the American Institute for Social Research, warned about the implications of this at a recent Montreal symposium on industrial relations. He stressed that economic realities and demographic changes make it essential to move retirement age upwards and to keep individuals on the active work force for as long as possible. The United States economy as an example is not prepared to cope by the year 2000 with 1.2 million more persons 65 and older than were estimated before the latest mortality statistics report was published in 1977. At the same time, the U.S. Congress is considering raising the taxes levied on employers and on the wages of today's workers to pay for the

social security benefits received by retired workers, and also is debating reducing future retirement benefits below what had been previously planned. As a result of this, Sheppard said, "I believe quite strongly that in Western industrialized countries, we will have to find ways to keep persons 55-64 years old, perhaps older, in the labour force, in order to increase the working population base necessary for providing decent retirement incomes to the truly aged population of such countries. Increasingly, thanks to improvements in health facilities and services, not to mention in the working environment, the age of 65 can no longer be considered — from the work-capacity point of view — as old."

To conclude, there are no better words than those of Iona Campagnolo, Minister of State for Fitness and Amateur Sport: "The time requirements (for employee fitness programs) are quite minimal and the eventual payoff both in financial and humanistic terms are indisputable." **lg**



"Don't know why Quigley makes such a big deal about running to work — he only lives three doors down."

Profit sharing and employee investment funds

by George Sanderson and Paul Malles

Giving employees cash or shares based on the profits of the enterprise is usually referred to as financial participation. Profit-sharing schemes have been in existence in many West European countries and in North America for about 100 years, initiated mainly by management, with little union interest. Indeed, organized labour has tended to view such schemes as a device to limit trade union membership.

In the United States and to a lesser extent in Canada, there has been interest in schemes to make employees shareholders in the companies for which they work, the intention being to foster a sense of involvement and to lower the traditional barriers between owners and workers. The schemes range from those giving employees the right to buy shares on favourable terms to those giving them the shares directly or holding them in trust on their behalf for varying lengths of time.

Advocates of wider share ownership also argue that this would provide employees with an incentive to stay with the company, since share schemes generally require a certain length of service — often several years — before employees become eligible, and it is frequently several more years before the shares are vested in the employees, i.e., become their personal property. Another positive aspect of share schemes from an employer's viewpoint is that they provide an extra benefit to

employees while at the same time ploughing money back into the company for new investment.

Moreover, a recent U.S. tax law provides an incentive to companies to finance expansion by issuing to employees shares which then serve as security on which new capital can be borrowed. This plan has been described by some observers as a sort of people's capitalism, spreading the benefits of private enterprise. It has been suggested that a similar scheme in Canada would, among other purposes, serve to encourage Canadian ownership and reduce foreign domination of industry.*

Unions, however, have tended to be wary of share ownership schemes on the grounds that they could undermine their position in collective bargaining. Another objection raised by organized labour is that share schemes give employees the illusion of ownership without the reality of power. A further drawback from an employee point of view is that workers who participate in savings-related schemes stand to lose both their savings and their jobs should the company fail.

While there is no legislation in Canada regarding financial participation, some companies already encourage their employees to

purchase stock, but few, if any, expect them to acquire enough to exert significant influence on the corporate decision-making process.

Although claims have been made that workers already own a large portion of the private sector through their pension funds, the latter are widely invested by professional managers and do not give the worker a greater sense of participation and responsibility.

In any case, not all employers offer adequate pension schemes. Indeed, it was partly to encourage saving and to provide for a more secure retirement that deferred share ownership became widespread in the U.S. Under this scheme, a share of the profit is distributed in company stock, usually held in trust until the employee quits or retires. Today, an estimated 80 per cent of financial participation schemes in the U.S. give shares only, 17.5 per cent shares and cash, and only 2.5 per cent straight cash.

The American approach to profit sharing thus gives employees a stake in the company's success while allowing the company to retain most of the cash — tax free — for new investment. Of course, deferred share ownership does carry financial risks, but presumably these can be reduced by diversifying funds into other companies' shares. Moreover, the 1974 Employment Retirement

*The suggestion has also been made that pension plan funds be used to promote the repatriation of firms operating in Canada.

Income Security Act makes it mandatory for investment managers to act "with prudence, diligence, care and skill." Those who don't, leave themselves open to lawsuits.

Nevertheless, the guaranteed income that pension plans offer — buttressed by a government pension insurance program — has made them more and more competitive with traditional American profit-sharing schemes.

On the European scene, the debate has centred on notions of economic stability and capital formation, social justice and employee influence at the workplace. France, Germany and the Netherlands provide examples of government interest in financial participation.

In Sweden and Denmark, unions and left-of-centre politicians have formulated concrete proposals for the creation of central funds to enable workers to participate more directly in industry's profits and investment policies. Similar propo-

While there is no legislation in Canada regarding financial participation some companies already encourage their employees to purchase stock...

sals have been made in West Germany and the Netherlands, but as in the Scandinavian countries, they have not gained widespread approval. In France, West Germany and the Netherlands, less radical, though statutory, forms of financial participation are already in existence. These European schemes may require a company to set aside a percentage of its annual profits above a certain level and allocate them to workers in the form of shares or as payment into special accounts, as in France. Or they may take the form of non-profit-related savings and share option schemes enabling workers to buy shares in the firms for which they work at preferential rates out of money set aside for them from general company resources — as in Germany — or

as deductions from gross pay — as in the Netherlands.

In France, where very little interest has been shown by management, workers and unions, a 1967 law requires companies employing more than 100 persons to set aside part of their pre-tax profit — or an amount from a special investment fund based on capital — to be invested in optional ways for five years on behalf of employees. After this, the latter may withdraw their share in cash, if they so wish. The government grants tax incentives for employee share-purchasing plans, with workers the main beneficiaries. The companies' tax privileges were curtailed by a 1973 amendment.

The 1967 Ordinance is rather selective in its coverage, however, because less than 1 per cent of French enterprises employ more than 100 persons. Moreover, even where companies have the required number, they may not achieve the necessary 5 per cent return on total capital required before they have to create a "special participation reserve."

While schemes in large nationalized concerns such as Renault and Air France have largely failed to motivate employees or arouse their interest in the company, some smaller private firms — such as Majorette, a leading toy manufacturer — have done well with financial participation. At Majorette, the shares are distributed directly to the employees, with the number of shares based on the worker's pay level. The company has consistently turned a profit since the system was introduced and 90 per cent of the workers reportedly hold on to their shares as an investment. Today 18 per cent of the company's capital is in the workers' hands — against 7 per cent at Renault, where most workers sell their annual allotment as soon as they are allowed to.

Toronto Star Syndicate



"Cheer up! Things will pick up when we have our bankruptcy sale."

The concept of a so called “investment wage,” which later became negotiable under collective bargaining, was introduced in **West Germany** in the 1960s. Ostensibly, this “investment wage” is an amount — over and above the regular wage — that employers are required to “invest” on behalf of their employees, for a minimum of five years. During this period, the government pays bonuses of between 30 and 63 per cent of the amount saved each year as an incentive to saving and capital accumulation. The employees have several investment options, among which is the acquisition of shares in their own company. The overwhelming majority, however, have expressed a preference for the accumulation of direct personal savings in the form of cash — paid into banks or building society accounts, for example — a course considered to be significantly less risky than the acquisition of equity capital.

But employee indifference is not the only reason that worker share ownership is little more than a third the U.S. level: West German savings laws restrict investment to the stock of public companies, which comprise only a small fraction of all German firms. Not surprisingly then, this savings and investment scheme has had little effect on capital redistribution.

A controversial proposal made in 1974, however, would, if passed, have required companies with annual profits after tax of at least 400,000 DM (\$200,000) to contribute up to 10 per cent of their profit to a special holding or “assets” fund jointly administered by the two sides of industry. The intention was to further employees opportunities for share ownership and to finance investment in those parts of the economy where it was needed.

In 1975, the government of the

Netherlands proposed radical reforms in the area of worker savings and profit-sharing schemes. It proposed that “surplus” company profits be paid into a central workers’ fund administered by the trade unions, and that profit-sharing debentures — redeemable only after a certain time — be distributed to employees. Following a three-year debate it was proposed in 1977 that the levy become payable at a

...there is a clear and logical relationship between co-determination...and the matter of co-ownership

gross annual profit of about \$90,000. The proposals also called for government nominees as well as employee representatives to be involved in administering the money raised by the profit levy. The initial amount of the levy was set at 20 per cent in the first year, rising by 1 per cent per year thereafter to a maximum of 23 per cent during the life of the present Parliament. Half of the profits thus creamed off would be used “collectively” to boost pensions (so that workers in enterprises with annual gross profits below \$90,000 would benefit) while the remainder would be used to buy shares for workers in the companies in which the scheme applied, and would be tax-deductible for the company.

Existing Dutch legislation provides for a variety of financial participation schemes, including a measure of share ownership by workers. For example, a worker can give his employer the right to divert up to \$370 a year from his gross pay into a special savings account administered by the employer or a bank. These tax-favoured savings can then be invested in the shares of the company in which the worker is

employed, or elsewhere. All money saved by the worker in this way accrues a bonus payable by the employer. The legal minimum period for the operation of this type of scheme is four years.

According to *The Economist*, few of the 51 per cent of workers in Holland who participate in the profits of their companies take their savings in deferred form, and “most tax-favoured savings schemes are not profit-related.” Like their counterparts in France, Britain and West Germany, Dutch workers prefer cash, even though it is taxed.

In **Sweden**, the Confederation of Trade Unions (LO) proposed in 1976 that a “wage-earners” fund be set up, whereby a portion of annual pre-tax profits from companies above a certain size would be allotted in the form of shares to a special fund to be administered by central and local workers’ representatives. It was also suggested that dividends of the fund capital either be reinvested in further shares or be used to promote education, training, research and cultural activities for all union members. If adopted, such a scheme would in the long-run presumably shift actual control of companies to employees, and not surprisingly, it therefore met heavy opposition from industry and employer groups. Indeed, a committee appointed by management organizations to look into the matter argued that the LO scheme would destroy the normal functions of the stock market, bring about a serious shortage of investment capital, discourage innovation and expansion, and lead eventually to domination of the economy by large and powerful unions, thereby endangering political democracy. The management group suggested, instead, the establishment of a state-subsidized voluntary wage savings

system comprising a number of competing funds to be run by the wage earners collectively, with each individual retaining the right to withdraw after a stipulated term.

"The recent debate in Sweden has clarified two items," says the LO's Rudolf Meidner. "Firstly, there is wide agreement that employee investment funds could serve to overcome the shortage of risk capital in Sweden. Secondly, earlier ideas of company-based profit-sharing schemes are rejected by both labour and management." Meanwhile a compromise appears to be shaping in the direction of placing greater emphasis on capital formation, preferably through payroll contributions, and there are signs of a shift in emphasis from "employee funds" to the more "pluralistic" solution of "citizen funds" administered by representatives of political parties. Behind the scenes, a Royal Commission is examining various aspects of this complicated matter.

Unions in several European countries, including Britain, Ireland and Italy, have generally been hostile to traditional company-based schemes of financial participation — some because they consider such schemes constitute no real opportunity for employees to exert influence on decision-making in the company, while others view them as a management device for undermining union solidarity. British trade unions, for example, have generally resisted profit-sharing except in the form of straight cash payments, or in the form of allocations to union-managed workers' funds.

In **Denmark**, the unions have been urging the government to establish a scheme requiring companies to contribute a certain proportion of their profits to a union-controlled central workers' fund. They have

...the various European programs...fall into two broad categories: those that seek to maintain a conventional system of profit sharing...and...those...that aim at removing the dichotomy between labour and capital through new forms of democratic collectivism

made little progress toward achieving this goal, but a growing number of companies — including Atlas, Royal Porcelain, and Sadolin og Holmblad — operate voluntary profit-sharing arrangements. Although tax provisions similar to those in West Germany favour deferred employee share ownership, a part of the profits in Danish schemes has tended to go to a social welfare fund — to supplement state pensions and sick pay, for example.

Also being discussed in Denmark is a scheme that would establish employee investment funds financed through payroll contributions. At the official level, a special commission has been set-up to examine profit-sharing and worker asset formation.

In **Italy**, the government has reportedly brought in what amounts to a compulsory savings scheme to offset cost-of-living raises to the higher-paid, while in **Britain**, the Treasury is at present drafting proposals to encourage firms to establish profit-sharing or asset formation schemes for their employees. Considering that legal enforcement of profit-sharing (as in France) has not worked as well as fiscal encouragement for voluntary schemes (as in the U.S.), the government is not expected to impose any single pattern. In any case, this would not suit all companies.

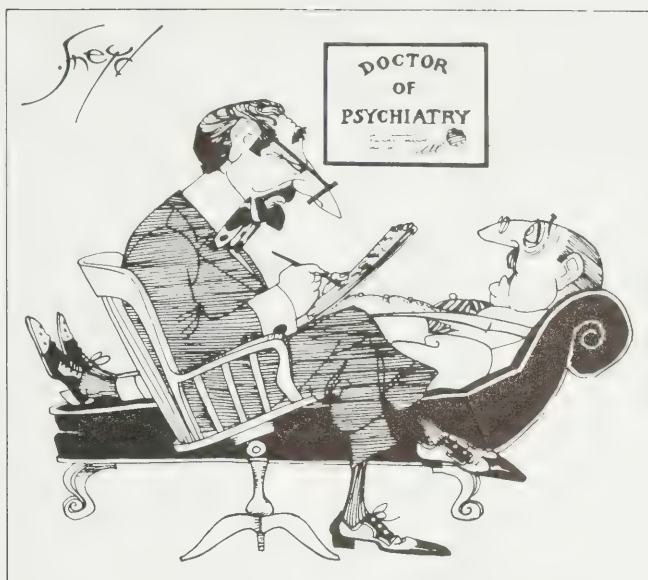
Although the idea of a cash divi-

dend paid out to employees at the end of a successful year is not new in Britain, only an estimated 100 companies offer profit-related shares to their non-executive employees, with eligibility depending on length of service or annual earnings. They include Imperial Chemical Industries, Marks and Spencer, HP Bulmer, Habitat and Conder International. The last, for example, offers a sensible combination of cash payments and a voluntary share purchase scheme, thus making it possible to motivate employees through participation in ownership but not forcing it on them.

As a rule, shares are allotted to employees in proportion to their gross earnings during the year to which the profits relate, and are subject to income tax when vested, like any other form of remuneration. Employees may become full owners of their shares almost immediately or the latter may be withheld — for varying lengths of time — as an incentive for the employees to stay with the company.

At the European Commission, officials have been advocating the introduction of asset-formation schemes, arguing that they could help stimulate economic growth while holding the level of wage increases down. An EC directive on the matter would likely not dictate the shape of any European schemes, but rather leave the member states free to decide for themselves. Officials believe, however, that the principle of asset formation should be established by law in all countries of the European Community.

Broadly speaking, the various European programs for the financial participation of labour, which we have described in rather summary form, seem to fall into two broad categories: (1) those



"Every time I make another million, the cost of living goes up!"

that seek to maintain a conventional system of profit sharing (in the form of "investment wages," for example) that is basically linked to the individual firm and individual ownership, but which also attempt to broaden the scope of their application; (2) those — still highly controversial and in the stage of constant reformulation — that aim at removing the dichotomy between labour and capital through the introduction of new forms of democratic collectivism, and which thus hark back to a concept of freedom, deeply rooted in European history, that emphasizes the freedom of the *collective* over the freedom of the *individual*.

If this assessment of the nature of these programs is accurate, what relevance do they have for the Canadian context, with its entirely different traditions? Or to put the question another way, to what extent do these programs contain elements that correspond to, or could be adapted to meet, the specific needs of Canadian society? By examining some of the motivating factors that have brought the various programs into

the forefront in Western Europe, it may be possible to reveal more clearly their relevance, if any, to Canada.

First, there is a clear and logical *relationship* between co-determination (meaning the institutionalized participation of labour in managerial decision making) and the matter of co-ownership. If ownership confers the right of management, co-ownership of the means of production appears as a corollary to co-determination.

...what is at stake is not simply the redistribution of wealth, but also the redistribution of power

Secondly, co-determination, bolstered by co-ownership, is held to increase the *responsibility* of labour for production and productivity.

Thirdly, the European labour movement in advocating capital accumulation and collective investment plans, has recognized the limits that have been set on the realization of what has come

to be known in Canada as "the fifth goal," namely, the "equitable distribution of income." Thus, while the welfare state, which has received significant and on-going support from the European labour movement through its trade union and political wings, has undoubtedly contributed to the rise in the standard of living of a broad range of the population, the fact remains that the traditional means of re-distribution via taxation and personal transfers, have apparently had little effect on income differentials. As a result, attention has increasingly shifted from redistribution of income to redistribution of wealth.

Fourth, a reorientation in political ideology has taken place to the extent that the democratic labour movement in Europe has come to accept the mixed economy as the best guarantee for preserving democratic freedoms and trade union independence. It has therefore largely turned away from the traditional goal of public or state ownership as a universal means for social change. However, despite this broad acceptance of the market economy, the fact remains that limits have been set and rigidities created as the share of government of Gross National Product has continued to increase. Accordingly, in recent years, European social-democrats have been searching for new ways by trying to find, as former Swedish Prime Minister Olof Palme has put it, an alternative to "free enterprise capitalism" on the one hand and "the state capitalism of communism under minority rule" on the other. The introduction of economic democracy through co-determination, and participation via "Capital Formation in Workers' Hands" is seen as one possible option. Moreover, it should be noted that this revision of party programs — in or out of government — is by no means restricted to Sweden.

It was mentioned earlier that attention is shifting from redistribution of income to redistribution of wealth. Ostensibly this seems to be the aim of both the capital accumulation and collective investment plans. However, more is involved. It would appear they are directed primarily, if not exclusively, toward the acquisition of *equity capital* by workers. Yet equity capital constitutes only a small portion of total wealth. Moreover, an additional characteristic of equity capital is that no matter how widely distributed it may be, the power over its disposal still tends to be heavily concentrated in the hands of a relatively small group in society. Thus what is at stake is not simply the redistribution of wealth, but also the redistribution of power.

This might appear at first glance to be rather sinister, and indeed it is against this aspect of the issue, that the opposition is largely concentrated, particularly in the case of those programs that would make the *trade unions* the fiduciaries of the accumulating funds.

However, in modern society it has long been recognized that no particular group should have a monopoly on economic power and, therefore, government has been entrusted with wide, and in the opinion of many, excessive regulatory powers. Thus, while collective investment funds may well be thought of as an instrument for what has sometimes been called participatory democracy, the extent to which the latter objective is achieved is not independent of the nature of the "collectivity" that exercises control.

What form could or should capital accumulation plans and collective investment funds take in this country? It is important to realize how deeply the variety of programs

our growing need for self-financing and greater independence from foreign capital markets...may well make the European experience highly relevant

suggested in Europe are rooted in the specific requirements and institutional structures in each country. Thus in determining their relevance for Canada many questions have to be raised.


One point we may note, for example, is that gross private savings make up an exceptionally large proportion of the Gross National Product in Canada, and, particularly in recent years, the importance of savings by personal and unincorporated business has greatly increased, with the corporate sector consistently relying on savings of the other sectors. Nevertheless, Canada is still heavily dependent on capital imports. This, however, may again be attributed to the restrictions placed on certain forms of personal savings to be used as risk capital, but also to the need for the exceptionally large capital needs in resource and energy development.

Another aspect of the question of acceptability may very well be that we are a far more pluralistic and individualistic society than those of Europe. Consequently, we have developed forms and institutions for capital accumulation by broad population groups: Home ownership — supported by home ownership savings plans — is a deeply ingrained tradition in this country, which, besides life insurance, is the most popular form of personal savings. There are the tax-advantaged retirement savings plans, mutual funds, government savings bonds, longer term trust and bank savings certificates at relatively high interest rates, and

so on, all forms of capital accumulation, which we suspect (and we emphasize the word suspect advisedly), are less developed in Europe, and also possibly less available to the mass of wage earners.

There are a host of other questions.

1. Should the plans be voluntary or legislated?
2. If unions are to be the trustees how would the portfolios be distributed?
3. If investment were to go into individual enterprises how would shares be voted?
4. Would earnings be reinvested or distributed among workers?
5. At what level of the union structure would investment decisions be made?
6. What changes in our taxation system would be required?
7. How would such schemes relate to our highly fragmented collective bargaining system?
8. How would they relate to our private as well as public pension plans?

Nevertheless, whatever other and more fundamental aims the European capital accumulation plans may pursue, our growing need for self-financing and greater independence from foreign capital markets should give us food for thought, and may well make the European experience, albeit adjusted to our needs and conditions, highly relevant. 

From A New Role for Labour: Industrial Democracy Today. Reprinted with permission.

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Equal rights: fact or fantasy?

by Ed Finn

Employment and pay discrimination against women, native people, and minority groups in Canada is so widespread, so pervasive and deep-rooted, and has been considered a normal practice for so long that its eradication — or even its curtailment — will require the exertion of powerful and unrelenting pressure on the nation's employers and legislatures.

As yet, there is no sign of a campaign of such magnitude developing. Women's organizations, human rights agencies, a few politicians and labour leaders continue to keep the issue alive. Conferences are held, resolutions adopted, studies undertaken, briefs presented. But the effect, in terms of actually narrowing pay differentials between males and females, in giving women and members of minorities access to better-paying jobs, has been minimal. In fact, some studies indicate that, since the enactment of equal-pay legislation in Canada, the trend has been in the opposite direction toward a widening of the earnings gap between men and women, and between whites and natives in the work force.

This should not have surprised anyone. Canadian laws requiring equal pay for equal work fall far short of ILO Convention 100, on which they are ostensibly based. The ILO Convention called for equal remuneration for work of equal value, and it defined "remuneration" as including both the basic wage and the fringe benefits; i.e., the entire compensation package. It also recom-

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mended the use of a job evaluation method for measuring work value. This Convention was adopted by the ILO in 1951. Canada got around to ratifying it 21 years later, in 1972, and we now have what purport to be equal pay laws in all the provinces. They bear little resemblance, however, to the ILO Convention.

In the first place, all but a few provincial laws define "pay" as "wages" or "rate of pay," which excludes the fringe benefits. Secondly, they define "equal work" not, as the ILO intended, as work of equal value, but as "same work" or "similar work." Thirdly, they confine their application to the plant or establishment rather than to the industry or even to all workplaces of the same employer. Fourthly, they provide for no system of job evaluation. Fifthly, they rely on voluntarism rather than compulsion. And sixthly, they are very weakly enforced, if at all, relying almost exclusively on investigations based on employee complaints.

Such ineffective laws have little deterrent effect on discriminatory employment and pay. The loop-

Canadian laws requiring equal pay for equal work fall far short of ILO Convention 100...

holes are so cavernous that any employer wishing to exploit or black-ball female workers or minority groups can continue to do so with impunity.

The loose definition of "equal work," for example, enables a company to keep women's pay rates down simply by giving them slightly different job duties. Even worse, it encourages employers to keep men's and women's jobs completely segregated, because, as the legislation now reads, a job that is filled only by women can be depressed to a uniformly low wage level because all the workers involved are being treated "equally."

By limiting job-pay comparisons to employees within the same establishment, Canadian equal-pay laws also permit an employer to evade them simply by staffing various plants with either men or women exclusively, or predominantly, and applying his discriminatory policies between rather than within such plants.

Experience with the enforcement procedures proves beyond doubt that workers who are discriminated against will rarely initiate complaints, partly because of ignorance of their rights and of equal-pay laws, but mainly because of their fear of company reprisals. A few provinces have instituted independent inspections to enforce the legislation, but because of limited resources and the inherent weakness of the laws themselves, nothing much has been accomplished.

In fairness, it should be conceded that the new federal Human Rights Act incorporates significant improvements over previous legislation. It conforms to the ILO Convention in requiring equal pay for work of equal value, and it empowers the Canadian Human Rights Commission to initiate complaints, to encourage affirmative-action programs, and even (where there is proof of discrimination) to *order* that an affirmative-action program be initiated.

More significantly, the federal Act recognizes the concept of indirect discrimination, which results when any employment qualification or condition, even though equally applied to all job applicants, is such that it debars proportionately more women or minorities. An example would be weight or height requirements, but it would also include educational standards not directly related to the jobs in question.

The loose definition of "equal work"...enables a company to keep women's pay rates down simply by giving them slightly different job duties

In the main, however, the new federal Act still relies primarily on *voluntary* acquiescence to its principles, and is at best a shadow of the affirmative-action policies, programs, and strongly enforced mandatory requirements that characterize anti-discrimination policies in the United States. We are still a long way in Canada from a public policy or climate of public opinion in which a huge corporation such as the American Telephone & Telegraph Co. can be forced to do away with its sex-segregated job classifications, pay its employees who were discriminated-against \$38 million in compensation and another \$23 million in pay increases, and provide

remedial upgrading courses to qualified female employees.

We are even further away from introducing mandatory quota systems to ensure the hiring of fair and proportionate numbers of women and minorities, as U.S. courts have done, or to give such employees retroactive seniority credit for the time they were unfairly denied employment or advancement.

This is not to imply that all is sweetly Utopian in the U.S. For one thing, the very effectiveness of their equal pay and employment laws, and their vigorous enforcement, have generated a backlash. Aggressive affirmative-action programs are being attacked on the grounds that they necessitate *reverse discrimination* against men and majority groups, and that the fixing of quotas leads to the hiring of unqualified or less-qualified persons.

This crucial issue will be tested soon in the U.S. Supreme Court, where a case is soon to be heard involving a white male medical school applicant who alleges he was denied admission because of



"There is no racism in this plant...it's only those damn foreigners who say so!"

...workers who are discriminated against will rarely initiate complaints, partly because of ignorance of their rights...but mainly because of their fear of company reprisals

the school's preferential system for minorities. An article by McGeorge Bundy in the November 1977 issue of *Atlantic* magazine goes into the pros and cons of this case, and its far-reaching implications for the future of affirmative-action programs. Like most other human rights advocates, Bundy supports affirmative action and all that is entailed to make it work,

and he defends it admirably from the attacks of the reverse discrimination critics.

We don't have to worry about this problem in Canada. Before you can get a backlash, you have to have something positive and effective to generate it, and we're still much too timid to embark on the kind of serious anti-discrimination crusade that's going to offend the business community. A country that backs down from enacting and enforcing even modest work-safety laws

A country that backs down from enacting and enforcing even modest work safety laws... is not going to risk incurring their [employers] wrath by pushing equal pay and employment policies

because of a fear of offending employers and adding to their operating costs is not going to risk incurring their wrath by pushing equal pay and employment policies that will cost them many millions of dollars more.

I don't mean to indict the entire Canadian business community. At least a dozen major companies, including Shell Canada, Bell Canada, and Manufacturers Life, have voluntarily initiated affirmative-action programs and are sincerely doing what they can to break down their institutional job and pay barriers that keep women, native people, and minorities out of the better-paying jobs — or out of their workplaces altogether. These firms deserve credit for this kind of corrective action, but they are still very much the exception rather than the rule among Canadian employers.

It should be stated, too, that although racial and sexual prejudices do play a part in some

companies' personnel practices, they are not the most important factor. The overriding cause of unequal pay and employment is not bigotry or racism, or even male chauvinism. It's corporate self-interest — the desire of all companies to make the highest profits.

One way to do that is to keep labour costs down, and that in turn can be achieved in large part by setting a low value and pay rate on as many jobs as possible, and then finding people willing to fill such jobs. In many cases these will be women, or they'll be immigrants, or native people. But in non-union plants they could be white Anglo-Saxon Protestant males. And if an employer can get a robot to do a job more cheaply still, he'll fire the incumbent, regardless of whether it's a man, a woman, a black, or even his wife's second cousin. In short, a company isn't in business to provide adequately remunerated jobs; it will provide the minimum number of jobs needed to keep operating, and will set the pay rates no higher than is needed to attract workers or overcome unions' collective bargaining power. The discrimination that results is not sexism or racism. A businessman doesn't pay women and members of minority groups less *because* they are women or minorities; he pays them less because it's profitable and — at least up to now — because he's been able to get away with it.

I am not implying that women and minority groups in Canada have meekly accepted their relegation to second-class status in the work force. Large numbers of them — particularly those who are second income earners in a family — have been rather too willing to take underpaid jobs; and thousands have refrained from joining a union when they had the chance. But many more have been the unwilling victims of company exploita-

...although racial and sexual prejudices do play a part in some companies' personnel practices, they are not the most important factor

tion, government and public indifference, and — yes, the failure of most unions to make equal pay and fair employment policies a priority issue in their political action and educational programs, and at the bargaining table. The labour movement believes in these principles, and reaffirms its commitment to them in its briefs and publications, in speeches and resolutions at conventions, but is somewhat less than consistent in putting them into practice. The same inconsistency is evident, too, in the pursuit of objectives of special concern to female workers, such as maternity leave and day-care facilities.

Some unions have given these issues the attention and effort they deserve, and the Canadian Union of Public Employees rates a special commendation. It has not only launched and maintained an effective campaign for affirmative-action programs by private employers and governments, but it has also undertaken affirmative action in its internal administration. This has resulted in doubling its numbers of elected national, provincial and local female officers, as well as the number of female delegates at its national conventions. And of course the national president of CUPE — the largest union in the country — is also a woman. I wish I could report that most other unions are also moving to give their female members proportionate representation in elected and appointed leadership positions; but, although there is some progress in this direction, it is much too slow.



"That's taking equal rights too far!"

It should be pointed out, however, that this aspect of affirmative action — as well as the issue of seniority rights — conflicts to some extent with the basic democratic concepts and procedures that unions live by, and which are spelled out in their constitutions. Elections, for example, are between candidates who are nominated and accept nomination; and if no women are nominated and agree to run for office, the pre-dominance of males in leadership posts will remain. There is no provision for encouraging female members to seek office, or for giving them the kinds of special consideration that affirmative action sometimes necessitates to make up for years of neglect. It is still assumed in most union locals that it's up to female members to jump into the electoral battles and take their chances against the men, and that the ensuing majority vote, because it's "democratic," is also fair.

The same divergence between democracy, as defined by majority rule, and the fair treatment of

women and minorities in the work force, is evident in unions' reliance on the seniority clauses in collective agreements. Under these clauses, employees with the longest service get preference in jobs and promotions, choice of work shifts, and basic job security. In the event of layoffs, it is the junior employees — those with the least seniority — who lose their jobs.

...if an employer can get a robot to do a job more cheaply still, he'll fire the incumbent, regardless of whether it's a man, a woman, a black, or even his wife's second cousin

The seniority clause has obvious advantages to union members. It protects them from arbitrary management decisions, and it also rewards them for long service. Unfortunately, by creating a work force hierarchy and freezing job privileges, the seniority clause can also have the effect of obstructing remedial measures aimed at elim-

inating discriminatory employment and pay practices.

The unions representing A.T.&T. employees in the U.S. protested the court decree that superseded the seniority provisions in their collective agreements regarding transfer and promotion. Court orders to give women and minority employees retroactive seniority credit are especially objectionable to unionists, because they reshuffle seniority lists in a way that inevitably pushes some employees further down the ladder of promotion and protection than they otherwise would have been. They also create a great deal of internal conflict and turmoil that union leaders would prefer to do without.

It is still assumed in most union locals that it's up to female members to jump into the electoral battles and take their chances against the men...

Personally, I believe this kind of affirmative action override of seniority rights and clauses is essential to redress the wrongs suffered by women and minorities in the workplace. But it would be unrealistic to expect unions to make these changes voluntarily. They simply aren't structured to do it. Their constitutions don't cover such situations, and their voting procedures — based as they are on majority votes carrying — would only confirm the status quo. Unions are self-interest groups. Their chief function is to serve the interests of their members. A vote among those members covered by a seniority clause, giving them a choice between preserving their rights and privileges, or opening up the seniority list to new employees or to those previously excluded, will invariably be a vote against change. It's selfish, but all

too human. It's also "democratic," and union leaders, regardless of their personal feelings, are bound by the results of such a vote.

In the United States, because of the tougher legislation and enforcement there, unions have been obliged to make their seniority lists broader and more accessible to employees who have been discriminated against. The establishment of joint labour-management affirmative-action committees in many plants and offices has aided this transformation immensely. The principal improvement is to broaden the seniority list to include all employees of a company, rather than having a separate list for each department or location. In this way, qualified employees can apply for jobs in other parts of a company's operation that would not be open to them under more narrow seniority provisions. The other major change that the U.S. legislation has compelled is to give special status to job bidders who have been adversely affected by discriminatory practices in the past.

Sometimes it's not easy to ascertain if a job applicant has suffered in this way, but the joint A.A. committees have usually been able to find out.

Both unions and employers in Canada need the same kind of legislative push that has been supplied in the U.S. Without it, the inertia of employers and the conservative democracy (or democratic conservatism) of unions will combine to prevent a much-needed reform of seniority rights in this country.

Democracy is an admirable system for unions to use in most of their policy and decision-making procedures. It is certainly preferable to authoritarianism. But, as in

...the collective bargaining process, affected as it is by the unions' reliance on majority rule voting, is not the ideal instrument through which to seek the redress of wrongs suffered by women and minorities...

national democracies, it has the drawback that what's good for the majority isn't necessarily good for the minority. Most countries with democratic governments adopt safeguards to protect minority rights, but it isn't practical for unions to do so, other than to allow for appeals to internal union tribunals and conventions.

The collective bargaining process, too, is subject to this limitation. Most bargaining units are not homogeneous, but are composed of numerous subgroupings by age, sex, skill, length of service, and so on. It is difficult, and often impossible, to work out a collective agreement that satisfies all these components, particularly when a compensation package has to be split among many terms of employment. Take, for example, pension improvements which older workers consider vital but younger workers couldn't care less about. Should the union accept less in pay and other benefits in order to get better pensions? If it comes down to a vote, the issue is decided on how many workers are 40 and over, and how many are in their 20s and 30s. If the older workers are in the minority, they will have to wait for their pension gains. That's democracy at work, but what's democratic isn't always equitable. The same precept applies to the pursuit of maternity leave, day-care, and other issues of special concern to women. To the extent that these objectives included in a union's contract demands have to vie with others

that are considered more important by more members, to that extent will they tend to be dropped at an early stage in the negotiations.

In short, the collective bargaining process, affected as it is by the unions' reliance on majority rule voting, is not the ideal instrument through which to seek the redress of wrongs suffered by women and minorities in the world of work. It will take tough legislative action to override these built-in barriers. It will take laws with teeth in them, and strong enforcement measures, and the kind of sweeping court

Both unions and employers in Canada need the same kind of legislative push that has been supplied in the U.S.

rulings that have been handed down in the U.S.

It is difficult to be optimistic about the prospect of our legislatures emulating the Americans. The affirmative-action legislation there was passed only after the mobilization of intense political pressure by a large and militant black minority, and by an equally large and militant women's liberation movement. Our racial minorities are not nearly as large or as aggressive. Our women's rights organizations are becoming increasingly vocal, but have not been able to muster enough political clout as yet to make the politicians respond in the way they should. The injustice that prevails in pay and employment is such, however, that those who wish to see it corrected must continue and intensify their efforts, and keep trying to enlist the support of all those who believe in fair treatment for everyone, regardless of sex, race or creed. Most Canadians

profess that belief. They need to be challenged to put it into action.

One caveat, in conclusion. Effective legislation, in my view, is a prerequisite to doing away with unequal pay and employment practices. But it isn't a panacea. It can lead to breaking down the sexual and racial barriers, and opening up new job opportunities to women and minorities. But it can't, in itself, as Professor Harish Jain of McMaster University has pointed out, ensure that there will be sufficient qualified people to take advantage of those opportunities.

A concomitant aspect of the discriminatory policies women, native people, and other minorities have endured is that they have not only been denied more rewarding jobs, but also access to the prior education and training that would qualify them for such jobs.

In one of his excellent papers on this subject, Professor Jain offers

...the new federal Human Rights Act incorporates significant improvements over previous legislation...

some valuable recommendations, which I fervently endorse.

He urges the Department of Employment and Immigration to revise its manpower training programs to make them more accessible to women and minorities, even if this entails special funding and encouragement.

He suggests that employers who agree to initiate affirmative-action and career-development programs be eligible to receive federal subsidies to cover a substantial part of the extra payroll costs involved.

And he also proposes that language training and other kinds

of special assistance be given to immigrants and others who suffer job discrimination.

These are certainly measures that, in tandem with effective anti-discrimination laws, are needed to achieve the goals of pay and employment equality. But little will be accomplished until more of us get behind this campaign, and give it more than lip-service support.

...before you can get a backlash, you have to have something positive and effective to generate it...

We Canadians are great advocates of justice and equality of opportunity, as long as they remain abstract principles. We're all in favour of women's rights, and native rights, and minority rights, if all that is required of us is to pass a piously worded resolution at a convention and then forget about it till the next convention.

The achievement of equal pay and employment for women and minorities requires a great deal more than tokenism. When we stop citing all the obstacles facing us as excuses for inaction, when we stop rationalizing our apathy, when we finally accept the formidable challenge of applying these principles to our factories, shops and offices — then, and only then, will progress be made. If I have seemed more preoccupied with examining the problems than in finding solutions, it is only because the problems are more obvious, while the solutions can only come with the active commitment of many more Canadians to this cause. [g]



"Discrimination? Nonsense, we treat French Canadians like any other English-speaking group."

Equality of opportunity: the emerging challenge

by Sandra Woods

"Discrimination in the workplace is one of the most pervasive and iniquitous of discriminatory practices. It interferes with the individual citizen's ability and right to support herself or himself and thus ultimately concerns the question of basic human dignity," said Gordon Fairweather, chief commissioner of the Canadian Human Rights Commission, speaking at the Fourth Canadian Compensation Conference held in Montreal, January 19, 1978.

Sponsored by the Conference Board in Canada, the conference addressed the subject of *"Equality of Opportunity: The Emerging Challenge"* and the role of the new Canadian Human Rights Act.

The Act, which covers those organizations under the jurisdiction of the Canada Labour Code, prohibits discrimination on the basis of race, national or ethnic origin, colour, religion, age, sex, marital status, physical handicap, or conviction for an offence for which a pardon has been granted.

As of March 1, 1978, responsibility for interpreting and implementing the Act, passed by Parliament last June, will rest with the Canadian Human Rights Commission.

Chief commissioner Fairweather told the 250 representatives, mainly from management in government and the private sector, that Canada was in an unsettled economic period, and that Canadians were lucky that such legislation was already in place.

"Under the stress of inflation, unemployment and economic uncertainty, society tends to fragment more easily. As everyone scrambles for a piece of the rapidly diminishing pie, intolerance and discrimination increase," he said.

The Commission will investigate complaints and act on them in a variety of ways from conciliation to enforcement orders. It is also responsible for the protection of the privacy of individuals with respect to information in government files, as well as public education about human rights. A commission tribunal has the authority to order an employer to cease discriminatory practices and to ensure that they do not recur.

"... 'Equal pay for work of equal value'... ignores the concept of equal employment opportunity, whose goal it is to eliminate job ghettos..."

While most legislation concerned with human rights usually speaks of "equal pay for equal work," the Act introduces the concept of "equal pay for work of equal value."

This was designed to allow those women employed in "women's jobs" — which are traditionally underpaid — to receive equal pay with groups of men who perform work of equal value.

In practical terms, a group of

secretaries (mainly female) could claim that its functions are of equal value to those of a group of technical workers (mainly male) employed in the same establishment. The criteria outlined in the Act for establishing "value" are skill, effort, responsibility, and working conditions.

"We hope that its application will help narrow the embarrassingly large gap between the average earnings of men and women," concluded Fairweather.

One of many speakers at the conference who felt the "equal value" concept would mean problems for the employer was Harry Pilkington, vice-president of personnel at Bell Canada.

Pilkington said that "work of equal value" may not necessarily mean equal opportunity, and may in fact undermine it.

"... 'Equal pay for work of equal value'... does not provide the sole basis for eliminating wage discrimination. To some degree the concept may rectify differences in pay between men and women in cases of equal work, but ignores the concept of equal employment opportunity, whose goal it is to eliminate job ghettos..."

Pilkington said the "equal value" concept may even promote job ghettos. He cited the example of an employer with two different jobs, with two different pay schedules.

"The lower-rated job has some female population, while the higher-rated one has none. A complaint that the jobs are of 'equal value' is upheld. Now all incumbents of the lower-rated job, male and female, must be paid the higher rate. A competing employer, having no employees in the higher-rated category, will be under market pressure to pay the higher rate to employees on the lesser job.

"If the original employer has female employees in the first group, then rates — male and female — on the third job must be adjusted upwards. And so on."

He predicted that employers may even avoid encouraging females from venturing into a traditionally male and semi-skilled group "...knowing that by the very presence of females, the occupation may be subject to an evaluation that may equate it to a skilled craft group."

Employers may, he said, resort to carefully structured female work

And what if collective bargaining fails?... Must the employer take unilateral action to change discriminatory practices in his collective agreements?

ghettos — not to avoid increasing women's wages, but to avoid the "ripple" effect on men's wages.

And to complicate the matter even more, an employer may not be able to adjust wages. Wage levels may be established by a collective agreement, or economics may limit the ability to increase wages.

Pilkington said the Commission will have to research and identify the factors that determine wages — supply and demand, collective bargaining, zoning, and salary progression plans.

The effects of "work of equal value," he warned, were staggering and he outlined the following fears:

- If job evaluation forms the basis

on which the value of jobs is assessed, government intervention would be necessary.

- There would be massive government intervention in collective bargaining and the setting of general wage levels. The Commission would be making decisions that could have severe economic labour relations implications.

- Employers and regions would no longer be sensitive to the market forces of supply and demand.

- The ability to produce price competitive goals for national and international markets would be jeopardized.

Keith E. Hunt, vice-president of industrial relations and organization at Canadian National Railways expressed his concern that the Act interferes with the process of collective bargaining, and may override it.

In the short-term, all employers will have to review existing collective agreements to make sure they conform to the Act. He cited the example of seniority — which, while not discriminatory in itself, may have that effect on minority workers. If an employer feels that a seniority unit does have a discriminatory effect, he has to try and correct the situation through collective bargaining. "Management will be asking labour to bargain away seniority rights to which a majority of their members have been entitled," he said.

Employers will also have to examine benefit plans to ensure they do not discriminate on the basis of age, marital status, or sex. The legislation will affect age limitation on entry into company pension plans, apprenticeship programs, and retirement. Hunt said the result will be additional tensions at the bargaining table.

Toronto Star Syndicate



"And let's have no more of this chauvinistic talk about equal rights, Harold!"

And what if collective bargaining fails? he asked. "Must the employer take unilateral action to change discriminatory practices in his collective agreements? If he does so, the employer could be subject to charges of violating the Canada Labour Code."

And while the Act states that grievances should be taken through regular channels before being submitted to the Commission, Hunt says unions may now carry forward grievances they would otherwise have rejected, to protect themselves against charges of discrimination.

"Quotas and tokenism are good for nobody. The costs of placing unqualified people in jobs because of some attribute other than merit can be very high..."

"To allow indiscriminate individual enforcement of rights under the collective agreement may threaten the effectiveness of the union by undermining its ability to compromise the frequently conflicting interests of its constituency," said Hunt.

Issues formally resolved through collective bargaining are now being taken over by social legislation. Hunt cited the examples of health care, safety, dental care, layoff benefits and working conditions.

"If protective social legislation continues to dictate conditions at the workplace, such legislation could threaten the survival of unions — at least, in their traditional role of protector of employees' rights," he said.

Mary Lennox, president of the Communications Workers of Canada, declared that unless

"If protective social legislation continues to dictate conditions at the workplace, such legislation could threaten the survival of unions..."

unions and management work hand in hand, the legislation will not be successful.

She expressed her concern that few labour representatives were present at the conference and that it was mainly management talking to management.

Lennox, who was a last-minute substitute for Andy Stewart, president of the Public Service Alliance of Canada, had few polite words for those who had reservations about the legislation.

"I represent the lowest paid group in Bell Canada and they are 98 per cent women. Women have not been treated kindly by Bell Canada...I don't think they know how women feel, and I don't think they care. Bell Canada has never had a female vice-president.

"They (women) are the people who do all the work. And most of the time they do it so effectively, no one notices. Women are seen as obnoxious. Most of the women who make it are very young, very good, and very nervous...I'm going to be among Mr. Fairweather's first customers," she said.

Rowland C. Frazee, president of the Royal Bank of Canada, said he hoped that equality of opportunity was not seen as equality of representation. He said progress measured by statistics would lead to tokenism, quotas, reverse discrimination and a breakdown of the merit principle.

"Quotas and tokenism are good for nobody. The costs of placing

unqualified people in jobs because of some attribute other than merit can be very high, not only for the individuals involved, but for the nation as a whole, everybody loses," he said.

"The crux of the matter is that the objective is not to shoot for any 'ideal' proportion of representation in a given job category. It is, rather, to remove unfair and discriminatory barriers, so that each person has the freedom to advance according to his or her own wishes, depending on the person's own energy, skill, qualifications and merit."

Women have made up the majority of the work force in banking for the past 30 years. And while they now make up two thirds of all bank employees, Frazee said the banks have not been especially alert to the aspirations of these female employees.

Major advances have been made in the past decade and most of the obvious barriers to the advancement of women have been removed in the banking industry, Frazee maintained.

But while the Royal Bank has defined equal employment opportunity as a corporate objective, it wasn't enough, he said. "...Such statements, unless followed up by real action, would be regarded as motherhood or windowdressing. And if male managers think senior management is only talking, they'll go right on doing what they did before. On the other hand, if female employees perceive such statements as empty propaganda, their resentment increases, and you are in more trouble than before."

What is called for, is a thorough examination of policies and procedures to make sure they adhere to the equal-opportunity philosophy.

But, because policies are implemented by people who have their own attitudes and prejudices, the biggest problem becomes the gap between policy and practice, Frazee observed.

"It is still the standard assumption that drive, ambition, career-mindedness and competitiveness are masculine qualities — and that sensitivity, emotion, non-aggressiveness and empathy are feminine traits. In the task of closing the gap between equal employment opportunity policy and actual practice, these stereotyped assumptions are the major barrier," he asserted.

On a more encouraging note, Henri Tremblay, vice-president of personnel at Steinberg Limited, said that equalizing employment opportunities for women was not only a question of human rights, but a question of good business sense. "To refuse to tap and optimally utilize that labour pool is not only unjust, it is managerially stupid."

Tremblay said that management should have a close look at how it places people in jobs. Words like "leadership," "aggressivity," "adaptability," and "self-confidence" are meaningless, he said, because they can be seen as either "virtuous or sinful," depending on who is making the decision. This method of assessing people is evaluative and it would be more relevant to determine how people behave in a "performance-related" situation, he added.

In response to a question from the audience, however, Tremblay disclosed that Steinberg has only two female managers in about 200 stores. When asked what the company had done to improve the status of women he replied: "We haven't done anything in this area,

"It is still the standard assumption that drive, ambition, career-mindedness and competitiveness are masculine qualities..."

quite frankly...We've got a lot of work to do."

Ruth Gilbert Shaeffer, of the Conference Board in New York City, said the United States Supreme Court has repeatedly said that discrimination is determined by the *consequence* of an employer's actions, rather than by his *intent*.

"Any action he takes which has an adverse effect on the employment opportunities of any protected group — those of some particular race, colour, religion, sex or national origin — is unlawful unless the employer can justify that action as being necessary for the safe and efficient operation of the business," she said.

When an employer is not filling jobs with members from a protected group in roughly the same proportion as their representation in the labour force, he may be violating the legislation.

"In other words, just as soon as statistics establish that an employer's actions have an adverse effect on the employment opportunities of some protected group, the burden shifts to him to eliminate that effect if he can or, if not, to be prepared to prove his discriminatory conduct is necessary. And that's hard to do," she said.

When American employers examine their policies "they frequently find that many of their long-established standards and procedures for selecting employees are quite irrelevant to predicting successful performance


on specific jobs," observed Shaeffer.

Large companies have tended to make the most progress and she suggested this is because they do more internal staff training and because they have more staff available to make sure managers understand the equal opportunity requirements. Also, it is often the big companies that have been "under the gun" and the experience has been that tough enforcement of the regulations does seem to make a difference.

"We now see that, even with the best of intentions and with rigorous continuing efforts, it is likely to be several decades before women and minorities come anywhere near parity of representation in many job categories..."

Kathleen Ruff, director of the Human Rights Code for British Columbia's ministry of labour, said many Canadians think the U.S. experience was a failure because it resulted in class actions and large settlements affecting entire industries. In Canada, discrimination has mainly been dealt with on an individual, case-by-case manner.

Ruff said the evidence shows that individual settlements in Canada had only a token effect. "The evidence shows for example, that the gap between what women are paid and what men are paid continues and is, in fact, widening."

"The unemployment rate of native people remains appallingly high. The chances of getting work for a person with a physical disability, no matter how competent the person, remain dismally low. Visible minorities continue to find their opportunities restricted mainly to certain ghettoized areas and all too frequently find that the minimum wage, poor working conditions and no job protection are their lot." 

Women's battle for equal rights

by Christine Fisher

Despite a more and more frequently voiced complaint that in times of increasing unemployment the plight of women in the work force is of minor importance, the more than 400 union women from across Canada who met to discuss equal opportunity and equal treatment for women workers made it clear that such a position cannot and will not be tolerated.

At the mid-January Canadian Labour Congress conference in Ottawa, little was said about such issues as day-care or maternity leave following the keynote speech by Mme Yvette Rousseau of the Advisory Council on the Status of Women. Although Mme Rousseau stressed the need for recognition of the problems women face in their double roles as working mothers, it became apparent that the delegates were more concerned with the growing threat toward women's rights to work at all when so many men, the traditional breadwinners, are unemployed.

The first full day of the conference opened with a panel on equal pay presented by Marnie Clarke from the Ontario Ministry of Labour Women's Bureau and Keith Davis from the Canadian Union of Public Employees (CUPE). Ms Clarke pointed out that despite provisions for equal pay for equal work under the Employment Standards Act, the gap between the wages of men and women is widening.

The growing imbalance can be

explained partly by the fact that women re-entering the work force start on the bottom rung of the pay ladder, and partly by the existence of women's job ghettos — low-paid, predominantly female occupations such as clerical and retail sales work to which many women turn either from lack of imagination or from lack of other marketable skills.

Clarke sees two solutions to this dilemma: first, job evaluation of dissimilar occupations (for example, secretaries and truck drivers working for the same employer), and second, a concerted effort by women to move into occupations traditionally filled by men. Job evalua-

tion, however, falls down when women themselves accept the low value placed on their skills. Women have so far failed to take advantage of equal-pay legislation, in some cases because of fear of reprisals, but for the most part because of a combination of lack of knowledge of the law and poor attitudes toward their own status in the work force.

However, while it is essential that women familiarize themselves with existing legislation, unions can play an equally if not more powerful role in the implementation of equal pay for work of equal value. Clarke urged the delegates to make collective agreements work to the advantage of women. In

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"I'm not against women's rights, but I refuse to accept the word personuscript!"

reply to a comment that male supervisors continue to pick men for promotion, Clarke advised all delegates to form women's committees within their own unions and to enlist the help of their provincial Women's Bureau, which could work "from the top" by encouraging employers to set up voluntary affirmative action programs.

Keith Davis, a job evaluation specialist from CUPE, assured the delegates that most men appreciate the problems of their women co-workers. Few employers, on the other hand, are willing to recognize the need for job evaluation, and therefore legislation is the only sure means toward widespread improvement. The new legislation contained in Bill C-25 is, in Davis's view, "quite progressive."

Concerning the complex task of job evaluation, Davis warned the delegates that unions must ensure that their own personnel, involved in negotiations over job evaluation, are thoroughly conversant with all aspects of the problem and are prepared to negotiate objective standards for evaluation, to educate unenlightened union members, and to come to terms with the contentious question of overpaid jobs that come to light in the evaluation process.

Even when a job evaluation program is successfully carried out, however, a final barrier remains in the cost of its implementation. At the Health Sciences Centre in Winnipeg, approximately 2,000 jobs were analyzed and assessed according to four criteria: skill, effort, responsibility and working conditions. As a result, pay increases of up to 50 per cent for some female workers were deemed necessary, but the Anti-Inflation Board rolled back the requests and allowed pay claims only at the basic level of

equal pay for equal work. The intransigent position of the AIB led Davis to wonder aloud whether the Board had actually ever heard of job evaluation.

Following the panel presentations, one of the first points raised from the floor was that all this fine talk about equal pay and so on was of no help in the face of the increasing threat to women's right to work. The panel agreed that there is, indeed, growing hostility in some quarters against what is mistakenly seen as the usurpation of men's jobs by women. The delegates were advised not to be

Women have so far failed to take advantage of equal-pay legislation, in some cases because of fear of reprisals...

daunted by such ill-founded and outmoded attitudes; in a society where many women are heads of families, any plea for a return to the traditional male/worker, female/housewife roles is both irrational and unrealistic.

One of the few male delegates, a worker from Stelco, asserted that job evaluation, far from helping women, would serve only to lock them even more firmly into lower-paid jobs. Another male delegate complained that job evaluation plans were usually so complicated that not only the workers but also those charged with implementing them were thoroughly confused. When doubts were expressed about the effectiveness of voluntary affirmative action programs, Marnie Clarke replied that while affirmative action is certainly not failing, it is a two-edged sword which requires not only government action but also a commitment from women workers and a readiness on their part to push themselves forward and to make their unions work for them.

When discussion moved from concrete facts and statistics concerning equal pay to the more abstract and intangible realm of equal opportunity, the emphasis shifted to exhortation and consciousness-raising. Into the arena stepped Frances Soboda, a steelworker who is vice-president of the Nova Scotia Federation of Labour. "I will not be quoting a lot of statistics to you," she began. "There will be speakers much more expert in that area than I. I would like to talk to you on a personal level. There are two areas of equal opportunity I want to discuss with you, one being in the workplace and the other within the labour movement itself."

Soboda gave a brief and lively account of her transition from the office of the shop floor of a New Glasgow steel plant, where, she said, the men "were quite delighted to have women working with them, and I don't know of a single problem any of us have had that was based on the fact that we were women."

Not only was Soboda one of the first of two women to join male workers in the shop, but she was also one of the first women in her local to hold an executive position. In the course of her training for the union, she attended a number of labour schools, describing her experience at the Labour College of Canada in 1975 as "one of the absolutely outstanding events of my life," and she urged the delegates to apply for scholarships to the college. From her first executive post as grievance person in 1973, Soboda was elected vice-president of her local and plunged into an astonishing array of committee duties before her election, in September 1977, to the position of vice-president at large of the Nova Scotia Federation of Labour.

Soboda paused while the delegates pondered the implications of

the need for boundless energy and devotion to the cause. "Now," she continued, "why did I tell you all that? It wasn't because I like to talk about myself, but because of the subject I'm speaking on. If you're like me, you don't like to have people tell you what to do when they haven't done it themselves. I'm not one tiny bit brighter, or smarter, or more educated than any of you sitting out there. If I can do it, sisters, you can too. In fact, a lot of you can do it better, once you get going. What I am trying to do today is give you an example of what you can be doing and hopefully give you some encouragement to go back home and do the same and even better."

But, Soboda warned, "I never said it would be easy." Active women unionists will be told by men and women alike to go home to their husbands, children and kitchens. "When a female trade unionist is criticized, she is apt to be criticized for her appearance or personality more than she is for her work. Some people have trouble accepting the fact that a female can have an ideology, much less be dedicated...Each time you win an election," said Soboda candidly, "there will be a debate on your morals, and great stories on how you 'really' won...All we can do with these morons is patiently wait it out and hope that at least some of them will eventually accept your sincerity and recognize your hard work."

"The more you get involved in meetings with politicians, the more frustrated you will become with our political process and the apparent lack of concern our government has for the well-being and dignity of the working people of this country...When you see people being terminated from their employment just months before their retirement is due, you'll get angry...When you see individuals

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"... then the princess slew the dragon, swept the handsome prince up on her white charger and rode off into the sunset."

or groups of working people not organized or being mistreated by their employers, you'll get angry..." But this anger can be constructive, Soboda counselled. "It is not as negative as it sounds. What happens is that it forces you to dig deeper and dig in. You search yourself and identify clearly what you are and who you are. Believe me, you'll come out fighting every time. And you'll wake up in the morning with a good feeling, exhilarated by the battles and knowing you have a purpose in life." Soboda concluded by expressing the hope that this conference, and the one in March 1976, would be referred to in the history of trade unionism as, "the birthplace of the tremendous wave of female participation in, dedication to, and leadership of the trade union movement in Canada."

The delegates received this speech enthusiastically and also applauded loudly a brief speech by Lise Ménard from the Service Employees' International Union, which crisply enumerated the difficulties that women unionists and

workers face in the paternalistic climate of Quebec. Sandwiched between these two speeches was an encouraging and informative paper given by Florence Wilkie, director of the government of Saskatchewan's Career Development Office, which, since its inception in January 1976, has worked successfully to improve the lot of women employed in the Saskatchewan public sector. In addition to providing career counselling to more than 600 women, Wilkie reported, the Career Development Office set up a number of workshops for women employed in the predominantly female areas of administrative support and health assistance, where women comprise 23 per cent of the total number of workers.

The workshops offered practical help in teaching skills such as resumé writing, but the main aim was to provide motivation and encouragement to expand occupational horizons.

"For some," Wilkie said, "devel-

oping the courage to write grade 12 equivalency exams was a big step; others enrolled in part-time classes; and two of the participants have enrolled as full-time students in the non-traditional fields of agriculture and engineering."

Ms Wilkie described a further project, an academic upgrading system named the Administrative Development Program: "This program was launched as a means by which persons dead-ended in stenographic or clerical positions could acquire the academic qualifications to facilitate upward mobility...We are extremely proud of the results achieved through this program to date. Some participants have elected to remain in their jobs until they have completed the program. Some others who elected to begin the climb up the career ladder have been very successful — they have moved from clerical to administrative positions. Three of the women have moved from Clerk IV positions to Administrative Officer II positions, a three-step jump accomplished in less than two years. Upward mobility at that rate occurs very rarely in our public service."

The Career Development Office also provides advice and assistance to the affirmative action programs that are beginning in many of Saskatchewan's government departments. "We see an affirmative action program as a mechanism by means of which concentrated activities based on identified needs can occur in a particular area — a program that tackles the issue of accessibility to training and jobs and allows everyone to 'share in the wealth' of educational and promotional opportunities."

Wilkie's positive report would have

...while affirmative action is certainly not failing, it is a two-edged sword which requires not only government action but also a commitment from women workers...


benefited from being placed first among the speeches on equal opportunity. Coming as it did after Soboda's call to action, it received only polite applause, and during the ensuing question period little interest was expressed in what advice Wilkie might have had to offer. Several delegates demanded an opportunity to prepare resolutions and recommendations arising from the conference, and even after organizers had explained repeatedly that the purpose of the conference was education and not policy-making, and that resolutions could come only from locals and not from individual delegates, the same question continued to be raised.

For the workshop sessions, delegates were offered a choice of 15 topics ranging from private and public sector bargaining to women and the political process. Four new topics for discussion this year were retirement, women and unemployment, occupational safety and health, and the young worker.

Eighteen delegates attended the equal-opportunity workshop presided over by Joy Langan from the British Columbia Federation of Labour, who led the group through a series of exercises designed to pinpoint and clarify specific personal instances of success and frustration in terms of equal opportunity. The women swapped many a wry story about such things as sexist jokes made by male co-workers, and telephone inquiries which end, after the woman has answered the query,

with, "Can I speak to the man?" Nevertheless, a fair number of women reported several positive experiences in job training opportunities and in acceptance within their unions. The group members came out of the workshop not only with ideas and suggestions about how to solve their personal work problems, but also with a sense of camaraderie and a renewed enthusiasm for what they hope to accomplish in the future. The same workshop groups met in the afternoon of the third day of the conference to discuss two National Film Board videotapes in the Challenge For Change series prepared by Laura Sky and Sylvia Roy. Of the two films, the first, dealing partly with discrimination against women workers in a factory, was more successful both in presentation and in content than the second, in which women on strike at a New Brunswick nursing home and at a psychiatric hospital in Newfoundland stated their cases.

The consensus of the discussion group was that the women in the second film were misguided in claiming that by virtue of their sex they were better than men at caring for the sick. The delegates' disapproval of the sexist attitudes of the women shown in the second film provides a positive indication that many women see themselves not as *women* workers, but simply as workers.

The organizers felt that the conference had been successful in alerting the delegates to the most immediate problems to be faced in the equal treatment of women workers. Judging from the number of delegates who were anxious to put forward resolutions at this conference, the April convention of the Canadian Labour Congress promises to be a very lively one indeed. 

A conversation with David Croll

by Lorna Mountford

For a septuagenarian, Senator David Croll has a pretty "hip" manner of describing his life's work. "Social welfare and social politics are my bag," he enthuses.

The silver-haired Senator has been involved in politics continuously since he was 19 — and that, as he readily admits, is a very long time. "Politics have been my life for more than 50 years," Croll reveals. "My earliest inclination was to enter the political field."

Over the years, the former MP and one-time provincial cabinet minister has earned a reputation as a stolid "fighter" for social reform. In 1966, he was chairman of the Senate Committee on Aging, and later chaired the Senate Committee on Poverty. He is proud to acknowledge that the outcome of the Poverty Committee's work was to secure a guaranteed income supplement for the elderly.

The report on the Poverty Committee's work was widely read. Croll estimates more than 25,000 copies were eagerly perused and subsequently praised. "Reading the report," says Croll, "had an educational effect on young and old alike. It became required study in college social science courses. More important, the young became aware that there was a problem beyond *their* problem."

Now, at the age of 77, Senator Croll is immersed in yet another crusade. He is chairing a 15-

member committee to examine existing retirement-age policies.

Committee members have given themselves a clear mandate:

- to scrutinize the social and economic implications of mandatory retirement based on age alone;
- to examine the feasibility of enabling workers to continue to contribute to society through flexible voluntary retirement plans to the extent of their ability and motivation;
- to protect people over 65 against age discrimination in employment;

● to look into the need for maximum co-operation from all levels of government, labour, business and the public to achieve those objectives.

Croll has described discrimination based on age as "the last great human rights issue to be tackled in Canada."

In the United States, Congress has given overwhelming support to a bill ending compulsory retirement in the federal public service and providing for more flexible retirement options in the private sector. To date, 12 American states have abolished mandatory retirement at age 65.



Croll...immersed in yet another crusade

Here in Canada, enormous interest has been shown in the American precedent. Both the Ontario and Manitoba Human Rights Commissions have recommended more flexible retirement policies. And in a recent report, the Canadian Council on Social Development advocated a fresh approach to the subject.

Senator Croll now believes it is inevitable that Canadians will follow the American lead. "They *must* follow one another, all things considered," he says. "For instance, there are many large American-owned organizations, motor companies, etc., with concerns here in Canada. So they will want to feel there is no conflict in interrelationships."

He argues that the failing Canadian economy *needs* the proven experience and production capability of older workers. "It is much better for the economy that these people continue to work. After all, about 10 per cent of the population is over 65. It would save a lot of money, both in service and personnel."

He continues: "Mental approach has nothing to do with age. Those people who are capable, able and willing to work...why not? Besides, to some of them, it is an economic necessity. "Of course, it is optional if they want to work. But they must be *allowed* that option."

The Senator's proposed work has prompted what has been called a "geriatric revolt." The over-sixties have rallied to support their "champion." "Their response has been overwhelming," smiles Croll.

"I could not have believed there would be such a response. I've received letters left, right and centre! They say this should have been done years ago."

He sincerely hopes the committee's work will permit people to continue work after 65 if they so desire. "There is a human right for a person to work, so long as he is capable."

The Croll prognosis reveals much of his lifestyle. "Work is the best medicine you can give anyone," he says. And he is living proof of that philosophy.

"Age?" he muses. "Never thought about it. Although I must admit, I have slowed down a bit."

You would never think so. He is at his Senate office by 7.30 a.m. and works a rigorous 14-hour day; he divides his time between offices in Ottawa and Toronto and thrives on the kind of exhausting schedule that would leave many younger men gasping.

He is polite, affable and animated in conversation. He takes time to reminisce about his war service in England — "a truly civilized race, the British," he ponders.

Croll swears he never noticed the age of 65 looming toward him. "For that matter, I didn't notice 70 or 77! I have continued to do the same things and maintain the same interests; and I always look forward to every day. Work is part of my therapy."

The Senator, who claims to have been associated with every major social measure in Canada during


the last 50 years, says it is "too late" for ambitions. But in his lifetime he would like to see even more advances in the social welfare system — for the benefit of young and old.

Born in Moscow, he was five when he arrived in Canada with his parents. His childhood memories of Russia are somewhat vague, but he confesses to "a tinge of feeling" when he visited his birthplace some years ago.

The young Croll's early ambition was to study law. He became a lawyer with a peripheral interest in politics. But before he was 20, he was actively involved in the Ontario Liberal Party. It is interesting to note that the elder Croll bears a striking resemblance to David Lloyd George, distinguished British Liberal Prime Minister of the 1920s.

Croll went on to serve at the municipal level as a mayor, and at the provincial level as a cabinet minister.

More than 50 years after he entered politics, he looks about him and sees what he describes as "an entirely new world." "We have become a rich and influential country, growing and improving all the time."

Brushing aside Canada's current economic gloom, Croll says: "I remember the depression after the First World War. "They thought the world was coming to an end," he laughs at the thought. "But if we have faith and continue to work along regardless, we will pull through..." 

Labour legislation in Canada in 1977

Part 1C: Labour relations — emergency legislation

by S. Allan Nodwell

In the latter part of 1977, four jurisdictions enacted emergency legislation. In British Columbia, the Essential Services Disputes Act was assented to on October 21. On August 9 the federal government provided the Act for the Continuation of Air Traffic Control Services, while in Alberta the Temporary Anti-Inflation Measures Amendment Act was enacted on November 10. Lastly, on November 29, Quebec amended the Act Respecting the Placing of the “International” Union of Elevator Constructors, locals 89 and 100 under Trusteeship and the Act Respecting the Placing of Certain Labour Unions under Trusteeship.

British Columbia

Essential services

This Act applies to an employer of the following employees; members of a fire-fighters’ union, health care union or policemen’s union. The Act applies to the employers and trade unions respecting the employees.

Part I. This part of the Act sets up the Essential Services Advisory Agency, listing its constituency, duties and fact-finding roles.

Part II. Where a firefighters’ union, policemen’s union, or health care union and an employer, or his authorized representative, have bargained collectively in good faith

and fail to conclude a collective agreement or renewal or revision thereof, the trade union may elect, by giving a notice in writing to the employer and the minister, to resolve the dispute by arbitration.

The parties may mutually agree to a single arbitrator or an arbitration board with a chairman to hear the dispute and resolve it.

If, however, within 10 days after notice, the parties fail to agree to a single arbitrator or an arbitration board and the appointment of a chairman, then the minister may appoint an arbitrator or board to hear and resolve the dispute.

Under the legislation the terms and conditions settled by the single arbitrator or arbitration board are deemed to be a collective agreement between the parties, binding on them and the employees except where the parties concerned agree to vary any or all of them. Moreover, there may be no lockouts or strikes during the period from which the notice is given until the date a collective agreement terminates.

In arbitration under this Act, the arbitrators or board are to have regard to

- (a) the public interest
- (b) the terms and conditions of employment in similar occupations

outside the employer’s employment, including such geographic, industrial, or other variations as the single arbitrator or arbitration board considers relevant

(c) the need to maintain appropriate relations between different classification levels within an occupation and between different occupations

(d) the need to establish terms and conditions that are fair and reasonable in relation to the qualification required, work performed, responsibility assumed and nature of services rendered, and

(e) any other factor considered relevant to the matter in dispute.

The Arbitration Act does not apply to an arbitration under this Act.

Sections dealing with fees and costs, powers, summons to testify, majority decision, decisions of arbitration boards, filing of decisions and referrals to Labour Relations Boards under the Labour Code of British Columbia do, however, apply to an arbitration under this Act.

Where there is a failure by the arbitrator or board to deal with any matter in dispute or an error is apparent, another party may within 10 days make representation to amend, alter or vary the decision.

There is no appeal from a decision

or award of a single arbitrator or an arbitration board referred to in this Act.

Part III. Where bargaining parties fail to conclude a collective agreement or a renewal or revision of it, or a dispute between them is not resolved, and the Lieutenant-Governor in Council is of the opinion that, as a consequence, either (a) an immediate and serious danger to life, health, or safety exists, or (b) an immediate and substantial threat to the economy and welfare of the Province and its citizens exists or is likely to occur, he may, with respect to the employees covered or to be covered by the collective agreement, do one or more of the following:

(i) direct the Labour Relations Board to designate those facilities, productions and services that it considers necessary or essential to prevent (a) or (b) and order the employer and trade union to continue to supply, provide or maintain the same and not to limit or restrict them, or

(ii) prescribe a period not exceeding 90 days, commencing at the time provided in the order, during which,

- the employer must continue or resume normal operation and guarantee the employment of every employee required for normal operations,
- existing terms and conditions must be maintained except those mutually agreed upon,
- there must be no lockout,
- the employer must not transfer, lay off, demote, suspend or dismiss an employee without just and reasonable cause,
- every employee must continue,

or on the call of the employer, resume the normal duties of his employment,

- there must be no striking or picketing,
- bargaining must resume in good faith with a reasonable effort to achieve an agreement.

(iii) appoint one or more special mediators to confer with the parties to assist them in settling a collective agreement, and where more than one is appointed, designate a chairman.

On the making of an order by the Lieutenant-Governor in Council all employees are notified that strikes are now illegal and the employer may not refuse an employee his right to work.

Failure or refusal by an employee to follow the order may be deemed just and reasonable cause for demotion, suspension, or dismissal.

Failure or refusal by the employer to comply with the order requires that he must, in addition to paying the wages that he is required to pay to his employees, pay a further amount equal to the wages of all the employees affected by his non-compliance for every day he, the employer, fails or refuses to comply. In the case of the employee, the employer is required to reduce his wages by an amount equal to "the wages of the employee for every day the employee fails or refuses to comply."

These amounts are then to be paid to a charitable organization that both qualifies as such under the Canadian Income Tax Act, and is agreeable to both parties (or failing agreement, designated by the Lieutenant-Governor in Council) for

use exclusively within the province. Any matter concerning the above that causes a difference is to be referred for determination to the Labour Relations Board.

The Lieutenant-Governor in Council may extend the 90-day period by 14 days but may not make more than one order in respect of any dispute.

Where an order is made by the Lieutenant-Governor in Council the trade union may elect to conclude a collective agreement or a renewal or revision of it by arbitration.

The special mediator is granted all powers, protection and privileges of a commissioner under the Public Inquiries Act, and is required to report, at the request of the minister, on the progress of the mediation. Where the dispute is not resolved, he is obliged to report his recommendations to the minister by a date specified at the time of his appointment.

Part IV. The Labour Relations Board may file in a registry of the Supreme Court a copy of every order made which, once filed, is considered to have the same status as an order of the Supreme Court, except for the purpose of an appeal from it.

The Board may subsequently amend, substitute, replace or withdraw all or part of an order, but if it does so it must promptly file a copy of the revised or amended version with the Supreme Court.

Any question or difference between the parties may be referred to the Labour Relations Board and the Board may decide the question or difference and enforce the decision.

Federal

Air traffic controllers

With the coming into force of the Act to provide for the continuation of air traffic control services, all union officers and representatives are required to give notice to the employees that all work stoppages and strikes are to be terminated and that all employees are to continue or resume work. The Act also requires that the return to work must not be denied by the employer and that employees must not be disciplined.

The term of the agreement has been extended to include the period from January 1, 1977 to December 31, 1977.

Any letters of understanding agreed to by the two parties are renewed.

The rates of pay that are specified in the Act are applicable as soon as the Act comes into force, however, variations to the schedule of rates may be sent for reconsideration by the chairman of the P.S.S.R.B. upon appointment of an arbitrator.

The Anti-Inflation guidelines are applicable to the Act.

Alberta

Temporary Anti-Inflation Measures Amendment Act

The Minister may, on behalf of the Government of Alberta and with the approval of the Lieutenant-Governor in Council enter into any agreement with the Government of Canada authorized by the federal Act.

Section 163 of The Alberta Labour Act, 1973, allows the Lieutenant-Governor in Council to order in emergency circumstances that a labour dispute be settled by procedures established by the Minister of Labour.

Quebec

Labour unions under trusteeship

The Act is amended respecting the placing of the "International Union of Elevator Constructors Locals 89 and 100," under trusteeship as well as in respect of certain other labour unions under trusteeship.

The powers of the board of trustees are established by law in regard to the employment office of each of the unions.


The Lieutenant-Governor in Council may place a group under the trusteeship of the board of trustees of a union, if that group is carrying on activities normally entrusted to that union.

The requesting, collection, or acceptance of money from members of a union under trusteeship without the authorization of the board of trustees of that union is forbidden. Any sum collected or accepted contrary to these provisions must be remitted to the board of trustees, and may render an offender liable to a fine or imprisonment.

The proceedings under the trusteeship acts are instituted by the Procureur général or a person designated by him for that purpose.

The Lieutenant-Governor in Council may terminate trusteeship in regard to any union, group or association.

The "Association unie des ouvriers en tuyauterie du Québec Inc." is placed under trusteeship.

The "Association sportive du local 144 inc." is also placed under trusteeship. 

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1976: October

1977: January, February, August, October, November.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

Books

Strike!

by **Walter Stewart**; indexed;
McClelland & Stewart, Toronto,
1978; 224 pages; \$10.00.

The drawback of most books about industrial relations is their dry, colourless writing style. The subject defies even the most gifted author to deal with it in a fresh and interesting way.

Walter Stewart has surmounted this challenge. *Strike!* is by far the most readable book about labour relations in Canada that has yet been written. Its mellifluous prose, sprinkled with anecdotes and recollections, flows into the mind so easily that most readers will gulp it down in a single sitting.

To achieve that kind of lucidity, however, Stewart has concentrated on the most visible and controversial aspects of labour-management affairs: strikes, picket line violence, inter-union rivalry, and union corruption. All the stuff of which headlines are made, but not always the most important elements, and certainly not the most prevalent.

Union corruption in Canada is so rare as to be statistically non-existent. Apart from the Hal Banks era of the Seafarers International Union and the goon-infested construction unions in Quebec, the Canadian labour movement is amazingly clean. Our union leaders may have other failings, but 99.9 per cent of them are honest.

Rivalry between unions is also negligible, and when it does occur is more an exercise in democracy

than in conflict. If workers are to have the right to join the union of their choice, unions must also have the right to vie with one another for the fealty of such workers.

Picket line "incidents" are also uncommon, occurring only when strikers are provoked beyond endurance by strikebreakers.

It's true that Canada has been one of the world's most strike-prone nations, but, as Stewart concedes, bad management and inept government are more to blame for our poor strike record than the unions are. And besides, the number of man-days lost through work stoppages has dropped sharply in the past year.

Being as sensitive as they are to criticism, union leaders have reacted indignantly to these fault-finding themes in Stewart's book, without taking much notice of those chapters that are more favourable to labour.

Stewart, after all, had previously authored books that excoriated government and business much more harshly than he has knocked the unions. In *Strike!* he makes it clear at the outset that he has given up on management, and, after listing several managerial sins, says "to hell with them." He also raps governments for their bad labour relations policies and even worse labour legislation.

The unions, however, are in his view susceptible to improvement, so he criticizes them constructively in an effort to encourage reforms he feels are needed.

"Despite the impression I may give occasionally," he writes, "my sympathy is with the unions in all of their travails."

To which some union leaders have retorted, "With friends like Stewart, who needs enemies?"

That's an understandable reaction, since labour's enemies have been able to quote paragraphs of *Strike!* out of context to support their attacks on unions. This is because Stewart has an unfortunate tendency to generalize from isolated incidents, citing a picket-line scuffle, for example, or quoting a super-militant like Joe Davidson as if such incidents or quotes were representative.

The central flaw of *Strike!* is Stewart's apparent assumption that the labour movement is somehow capable of changing itself for the better, regardless of what employers or governments do. The fact is that to a great extent the unions are locked into an economic and industrial relations system that is determined almost entirely by management practices and government legislation. The unions have the least manoeuvrability of the three. Employers can unilaterally change their policies and methods, and governments can unilaterally amend their laws. But unions have to live within and adapt to whatever system employers and governments create.

Stewart fails to grasp this elementary fact. He deplores the high incidence of strikes and labour's adherence to the adversary system without seeming to realize that these are the by-

products of the capitalist system. Unions can't change that system on their own. In fact, they can't even take the initiative.

They tried it after the 1976 Canadian Labour Congress convention, when they adopted a proposal for tripartite economic planning to replace the adversary system. But that idea got shot down by every businessman, politician and editorial writer in the country. Even Stewart himself, after devoting most of his book to deploring industrial conflict, blasts the CLC's tripartite policy, calling it elitist and undemocratic. He failed to see that it was an attempt by the unions to follow precisely the kind of rational and constructive course he was urging them to follow.

Despite these shortcomings, however, *Strike!* is by far the best popularization of the Canadian labour relations scene that has yet been put into print. It's engrossing, provocative, spiced with humour and packed with a lot of historical information.

Of course, it offers no answers, easy or otherwise. But that was not its intent. Stewart obviously hoped that *Strike!*, in addition to making him a little money, would stimulate the kind of reappraisal of our troubled labour relations system — by unions, companies and governments — that must necessarily precede any effort to improve it.

In that modest objective, at least, he has succeeded.

— Ed Finn

version of the British cottage industries.

Immigrants were the most frequent victims of these conditions. They had escaped the political oppressions of Europe only to become ensnared in the industrial oppressions of the United States.

Eventually there were revolts. The first attempt to organize a true trade union for New York City cloakmakers resulted in the lock-out of 10,000 persons in 1889. The struggle which followed was long and bitter, marked by several notable strikes, all of which are examined in this book.

Then, in 1910, came the Protocol of Peace, a union-management formula establishing boards to handle grievances and providing for arbitration. The Protocol was heralded as the means for ensuring industrial peace. Its terms were of considerable scope, and for the first time labour-union discussions went beyond the fundamental issues of wages and hours. The Protocol was regarded as introducing a form of industrial democracy as a substitute for strikes and lockouts.

But hopes had run too high. The grievance procedures quickly became clogged with a heavy backlog of complaints. Within the union there were growing political differences as to whether the system could be reformed, or whether it was beyond reform and revolution was required. There were those who argued that the right to strike should not be sacrificed, and these basic differences were to become increasingly apparent in the subsequent struggles for union leadership.

After five years it became apparent that the Protocol was no magic solution. Again there were lock-outs and strikes. The situation was

Out of the Sweatshop

edited by **Leon Stein**. Fitzhenry and Whiteside, Don Mills, Ont. 1977. 367pp.

In several respects the International Ladies' Garment Workers' Union is one of North America's most interesting unions. *Out of the Sweatshop* is the story of that organization. It traces development from the earliest battles for survival to today's international trade problems.

The ILGWU's search for some form of industrial democracy is a continuous thread running through the book, and is of particular interest in the light of today's intensified discussion of labour-management relations.

This is a collection of some 170 short articles written between the 1800s and 1975. The contributors cover a remarkable range:

Theodore Dreiser, Eleanor Roosevelt, Samuel Gompers, Lyndon Johnson, Helen Keller, Thurgood Marshall, John F. Kennedy, Walter Lipmann, Franklin D. Roosevelt and a host of others.

Stein is well-equipped as editor. A member of the ILGWU since 1928, he edited the union's publication *Justice* from 1952 to 1976 and has written several books on the labour movement in the United States.

Considerable space is devoted to stark accounts of the terrible working conditions which once prevailed in the garment industries. Factories were dark, dismal and unsanitary; workers were subject to iron-clad discipline and tremendous pressures; hours were long, often 12 a day or more. And then work often had to be taken home to be completed. The system of farming out work to be done in homes was the American

complicated by the industry's postwar difficulties. Within the union, the Communist faction fought hard to gain control. But by 1938 the reformists were again firmly in charge and the task of rebuilding the union began. All these events are described in the words of the time.

One of the characteristics of the ILGWU has been its pioneering role and leadership in attaining broader union objectives. The creation of a Joint Board of Sanitary Control was included in the provisions of the Protocol. The board,

which included public representation, was intended to improve the working environment. Some of the first surveys of workers' health were conducted under its auspices. This interest led eventually to the establishment of health centres and provision for benefits in case of sickness and retirement. Labour education was another field in which this union broke new ground.

As Stein emphasizes, this is a continuing story. In the introduction he describes the sweatshop as a state of mind as well as a

physical fact, a condition in which the employers have complete control. In the conclusion he deals with present difficulties arising from competition from low-wage countries, and he further comments: "The union remains unfinished. New frontiers are waiting to be explored — shops to be organized, rates to be lifted, working conditions to be improved."

In many ways, this is the story of all unions.

— Jack Williams

Research Notes

Absenteeism

"Absenteeism and Overtime: Double Jeopardy," by A. Mikalachki and D.C. Chapple. *Relations Industrielles*, Vol. 32, No. 4.

This study investigates factors leading to absenteeism in a large auto plant employing about 1,000 workers. The hypotheses examined deal with the effect on absenteeism of the skill required for the job, the worker's age and health, and the base pay rate. In particular it was expected that skill, age, the worker's health and economic rewards would all be inversely related to absenteeism. The initial analysis failed to support any of these hypotheses, however. Consequently an additional factor was examined, namely the ability of the worker to control the amount of overtime that he worked. The data then showed that the worker who is able to achieve a set income for the fewest days in attendance by working overtime uses this device to spend less time on the job. Adjusting for the

effect of overtime, the other hypotheses were also supported.

Controls

"The Response of Wages to the Removal of Controls: The American Experience," by Frank Reid. *Relations Industrielles*, Vol. 32, No. 4.

In assessing any controls policy, it is crucial to examine the behaviour of wages and prices when controls are removed in order to determine if any restraining effect of controls is partially or totally offset by an "explosion" when controls are lifted. An "explosion" of wages is defined to be an increase in the rate of wage change above what would have occurred if controls had not been implemented.

An analysis of experience in the United States during the period of the "guideposts" (1962-1966) and during the four phases of controls from 1971 to 1974 shows substantial variation in the effect of

controls. In two of the periods, there was no measurable effect, even while the controls were in force; in two other periods, the effects while the controls were in force were offset by an explosion when controls were removed; and in the fifth case, controls were effective while in force and there was no evidence of an explosion when they were removed. The model outlined and tested by the author predicts that an explosion of wages, but not prices, will occur if the effect of controls is to reduce real wages, i.e., if controls are more effective in restraining wage increases than price increases.

Employee benefits

"Prepaid Legal Services: An Emerging Fringe Benefit," by Guvenc G. Alpander and Jordan I. Kobritz. *Industrial and Labor Relations Review*, January 1978.

This article describes the recent emergence in the United States of

prepaid group plans as a means of providing workers and others with access to affordable legal aid. The study investigates by questionnaire the extent to which such plans are — or might be — used as a form of employee benefit. Responses were solicited from 350 large corporations and 100 national unions. Although relatively few plans have been adopted to date, the authors predict that there will soon be an increase in the number of legal service plans established through collective bargaining.

Minimum wages

A Survey of Recent Canadian Minimum Wage Research, by Colin Aykroyd. B.C. Ministry of Labour, 1977.

This study reviews recent Canadian research on minimum wages, incorporating material drawn from published studies as well as from internal government papers dealing with policy and administrative problems. The research material is presented in the form of a discussion of nine critical policy questions which are consistently raised regarding minimum wages.

Considerable reference is made to the results of impact studies conducted in six jurisdictions during the 1965-1975 period. The author notes, however, that it is not always possible to draw more than tentative or neutral conclusions regarding the magnitude of minimum wage effects. In part, this derives from the difficulty of isolating "pure" minimum wage effects from a host of other forces which may be simultaneously acting on the economy. Furthermore, impact studies have generally been undertaken during periods of rising economic activity. In some cases, this has resulted in an underestimation of negative

effects which might have been more apparent had minimum wages been regularly adjusted at a less expansionary stage of the business cycle.

Personnel policies

"Who Makes Personnel Decisions?," by David E. Dimick. *The Canadian Personnel and Industrial Relations Journal*, January 1978.

The question of who makes personnel decisions was investigated as part of a detailed survey of the management of human resources in 20 companies. Through questionnaires and structured interviews with both those in the personnel function and line managers, personnel decisions in 13 key areas were examined.

The data reveal that in only four of the 13 areas of decisions about individual employees investigated did personnel specialists have an average influence equal to or greater than that of managers outside the personnel function. These specialist-dominated areas were fairly technical in nature — benefit administration, provision of various personnel services, and running the cost control aspects of compensation and job evaluation. The areas which shape the more obvious aspects of an employee's work experience, such as control, discipline, promotion, transfer, and performance appraisal, were much more under the influence of generalists. The pattern indicates a clear differentiation in the role of personnel specialists from others involved in managing human resources. The specialist's role with regard to individual employees is technical or advisory in many decision areas.

"Le développement des ressources humaines, fonction négligée par l'entreprise," by Viateur Larouche. *Relations Industrielles*, Vol. 32, No. 4.

Few organizations in Canada offer training activities and, among those that do, training is mainly perceived as a means to adapt employees to technical activities and to the organizational context.

Statistics for 1970 show that training in industry is focused on security and professional orientation (33.5%), crafts (22.6%) and management (16.6%). Only 7.1% of the employees who underwent training were involved in general-type training courses centered on improvement in knowledge. The content and the fairly short length of training programs demonstrate that training in industry is seldom based on the concept of personal development. It does not allow people to develop *by* work but rather *for* work, and moreover for work specific to the business. The author concludes that there is a need for more training in industry and, in particular, for training that would enable employees to develop their abilities to the full.

Wages and earnings

Wage Determination in Major Collective Agreements in the Private and Public Sectors, by Jean-Michel Cousineau and Robert Lacroix. Economic Council of Canada, 1977.

Issues examined in this study are how wages in the private and public sectors react to inflation and labour market conditions; the impact of wage decisions on inflation, employment and the ability of the private sector to compete internationally; and the effect of strikes on wage increases. The research is based

on an analysis of major collective agreements over the period 1967 to 1975.

The authors show that there is an important difference in the factors determining wage increases in the private and public sectors. In the private sector, labour market conditions play an important role in determining wage increases. In the public sector, by contrast, wages are more responsive to inflation and less responsive to labour market conditions. As a result, the public sector can have major disturbing effects on the economy.

The study finds that strike activity has added an average additional wage increase of one-half of one percentage point. However, if the transportation, communications and public utilities sector is excluded from the sample, neither the incidence nor the duration of strikes has any significant effect on the rate of wage increase.

“Public and Private Sector Manual Workers’ Pay, 1970-1977,” by A.J.H. Dean. *National Institute Economic Review*, November 1977.

This article examines movements in the pay of manual workers in the public and private sectors of British industry since 1970. It finds that, in recent years, public sector workers have improved their relative pay by about 10 per cent.

A previous article had suggested that public sector earnings tend to rise by more than private sector earnings during the downswing of the business cycle and to rise by less during the upswing. The recent data show that public sector pay rose during the two recession years of 1974 and 1975 but not in 1976, when there was a slight recovery in the economy. The latter experience, however, may have had more to do with a slightly more stringent application of controls in the public sector than in the private sector.

“The Effect of Unions on the Earnings of Non-union Workers,” by Lawrence M. Kahn. *Industrial and Labor Relations Review*, January 1978.

It has long been recognized that unions, in addition to directly affecting their members’ wages,

can indirectly affect the wages of non-union workers. If union wage gains lead to cutbacks in the relative quantity of union labour demanded, for example, then the resulting increased supply to non-union firms may lower wages there (the “crowding effect”). On the other hand, via “threat effects” unions may cause employers of non-union workers to raise wages.

This study examines the indirect impact of unions on the real annual wages of non-union workers, using data from the 1967 U.S. Survey of Economic Opportunity. It compares wages of workers in San Francisco and Los Angeles — which differ significantly in their labour history and extent of union organization — within relatively unorganized industries and occupations and within an occupation that is highly organized in one of those cities but not in the other. The data suggest that the net indirect union effect across industries and occupations is to lower the earnings of non-union workers.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations writer and researcher in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Affirmative Action

Canada. Department of Labour.

Affirmative action, a selected bibliography. Action positive, une bibliographie choisie. Ottawa, 1977. 15p.

Collective Agreements

Québec (Province). Ministère de la Fonction publique. Direction générale des relations de travail. *Conditions de travail des avocats et*

notaires. Québec, Éditeur officiel du Québec, 1977. 129p.

Québec (Province). Ministère de la Fonction publique. Direction générale des relations de travail. *Convention collective de travail, 1976-1979 entre le Gouvernement du Québec et le Syndicat professionnel des médecins du gouvernement du Québec.* Québec, Éditeur officiel du Québec, 1977. 146p.

Collective Bargaining

Sisson, Keith. *Negotiation in practice; role-playing for managers and shop stewards.* London, Institute of Personnel Management, 1977. 193p.

Corporations, International

Morgan, Alun. *The industrial relations and employment impacts of multinational enterprises; an inquiry into the issues,* by Alun Morgan and Roger Blanpain. Paris, Organization for Economic Co-operation and Development, 1977. 42p.

Housewives

Ontario Status of Women Council. *About face: towards a positive image of housewives.* Written by Penny Kome. Researched by Marianne Pringle. Toronto, 1977. 40p.

Industrial Democracy

Sweden. Ministry of Labour. International Secretariat. *Towards democracy at the workplace: new legislation on the joint regulation of working life.* Stockholm, 1977. 40p.

Industrial Disputes

Malles, Paul. *Conflict incidence and duration in Canadian industry.* Ottawa, Informetrica, 1977. 44p.

Staple, Stan. *The unofficial strike in Canada, 1948-1972; a sociological analysis.* Ottawa, Carleton University, 1977. 189p.

Industrial Health

Canada. Long Range Health Plan-

ning Branch. *Occupational health in Canada — current status and future directions. Part 1. Current status — Part 2. Future directions.* Ottawa, 1977. Titre en français: L'hygiène du travail au Canada.

Kochan, Thomas Anton. *The effectiveness of union-management safety and health committees,* by Thomas A. Kochan, Lee Dyer and David B. Lipsky. Kalamazoo, Mich., W.E. Upjohn Institute for Employment Research, 1977. 127p.

Industrial Relations

McMurray, David. *Current economic and industrial relations indicators.* Kingston, Industrial Relations Centre, Queen's University, 1977. 42p.

Insurance, Health

Ontario. Ministry of Labour. Research Branch. *Sick leave plans and weekly sickness and accident indemnity insurance plans in Ontario collective agreements, March 1977.* Toronto, 1977. 14p.

Labour Laws and Legislation

Rovet, Ernest. *Employee/employer rights in Ontario.* 3d ed. Vancouver, International Self-Counsel Press, 1977. 103p.

Pensions

Pesando, James E. *Public and private pensions in Canada: an economic analysis,* by J.E. Pesando and S.A. Rea, Jr. Toronto, published for the Ontario Economic Council by University of Toronto Press, 1977. 185p.

Productivity of Labour

Katzell, Raymond Abraham. *A guide to worker productivity experiments in the United States, 1971-75,* by Raymond A. Katzell, Penney Bienstock and Paul H. Faerstein. New York, New York University Press, 1977. 186p.

Quality of Working Life

France. Agence nationale pour l'amélioration des conditions de travail. *Législation, fonctionnement et activités des commissions pour l'amélioration des conditions de travail (C.A.C.T.): loi du 27 décembre 1973.* Paris, 1977. 29p.

Wage Determination

Cousineau, Jean-Michel. *Wage determination in major collective agreements in the private and public sectors,* by Jean-Michel Cousineau and Robert Lacroix, assisted by Paul Robillard. Ottawa, Economic Council of Canada, 1977. 142p. Titre en français: La détermination des salaires dans le monde des grandes conventions collectives: une analyse des secteurs privé et public.

Kerr, Clark. *Labor markets and wage determination; the balkanization of labor markets and other essays.* Berkeley, University of California Press, 1977. 222p.

Wages and Hours

Québec (Province). Ministère du travail et de la main-d'oeuvre. Direction générale de la recherche. *La rémunération globale, est-il possible de la mesurer?* Par François Delorme. Québec, Éditeur officiel du Québec, 1977. 16p.

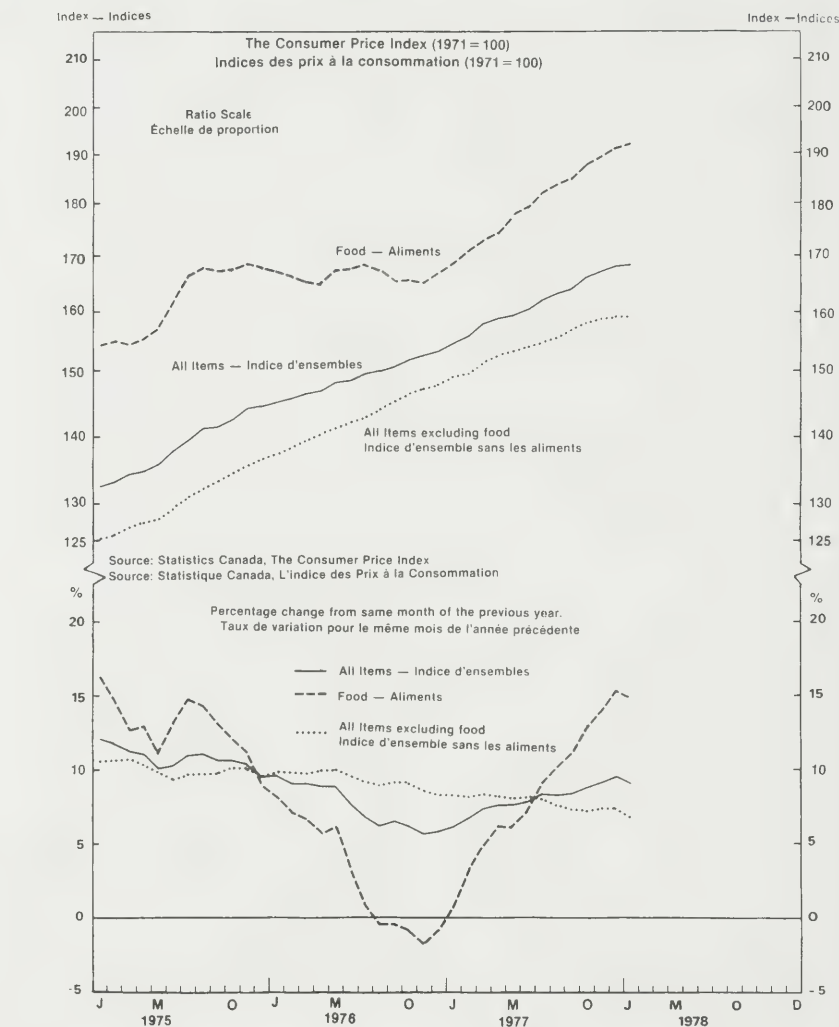
PRICES, EMPLOYMENT, AND EARNINGS

THE CONSUMER PRICE INDEX — JANUARY 1978

The Consumer Price Index (1971 = 100) increased 0.4 per cent to 167.8 in January from 167.2 in December. On a year-over-year basis the increase was 9.0 per cent compared with 9.5 per cent in the previous month.

Food prices were again responsible for most of the increase. The food index, with a relative importance of 27 per cent, contributed 60 per cent to the latest advance as a result of the 0.8 per cent rise from December 1977. The rise was mainly attributable to higher prices for beef, pork and some other meats. Other notable price increases were registered for fish, processed fruit and vegetables, and soft drinks. Lower prices for poultry and for some fresh fruit and vegetables partially dampened the impact of these increases.

Since the beginning of 1977, year-over-year changes in the food index have been advancing steadily. Up to June 1977, the twelve-month increases were still below the overall average advances; increases in the non-food index exceeded the average. In the second half of the year, the food index rose further, largely exceeding the overall increases, and contributing much more than its relative importance to the increases in the all-items index. At the same time, the non-food index moderated. In January 1978, both the food index and the non-food index declined on a year-over-year basis. The decline in the non-food



index was more dramatic — from 7.4 per cent to 6.8 per cent, and with its greater weight, brought about the significant decline in the overall index; the food index dropped from 15.4 per cent to 14.9 per cent.

The non-food items, as a whole, rose by a moderate 0.2 per cent

between December and January — the lowest monthly increase since the revision of the CPI base in May 1973. A decline of 1.0 per cent in the clothing index, the main moderating factor, was greater than usual for this time of the year. This was due to lower prices for both men's and women's outerwear and for footwear. The upward

pressure on the index for all-items excluding food came mainly from the housing component as household operation costs moved up 0.8 per cent as a result of higher electricity charges in many Ontario and Quebec urban centres. Other notable factors included higher prices for imported automobiles and seasonally higher train fares.

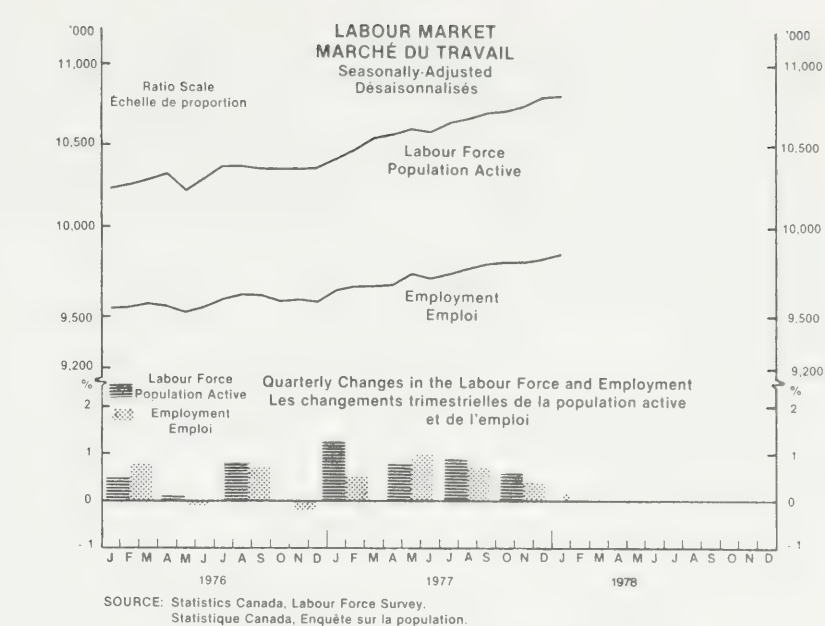
Seasonally adjusted data reflected a more modest increase in the index for all-items excluding food. Consequently, the current annual rate of change of the all-items index, based on seasonally adjusted movements in the latest three months, was down significantly to 7.7 per cent compared with 11.2 per cent for the previous three-month period. The current annual rate of change in the food index was 16.8 per cent; in contrast, the non-food index moved up 4.1 per cent. In comparison, similar increases in December 1977 were 21.9 per cent for food and 7.4 per cent for non-food.

THE LABOUR MARKET — JANUARY 1978

Seasonally adjusted data — changes from December 1977

The unemployment rate decreased in January for the first time since May 1977 — it was 8.3 per cent compared with 8.5 per cent in December. The decline occurred as employment grew faster than the labour force, the participation rate decreasing marginally to 61.6 per cent.

A strong increase in the employment of women (26,000 or 0.7) was responsible for the rise in employment (24,000 or 0.2 per cent). In contrast, there was a small decline for men. Adult women, those 25 years and over, increased 11,000 (0.5 per cent) and young women,



15-24 years increased 15,000 (1.4 per cent). The decrease among males was due to a loss of 4,000 jobs for young men. Employment for women has been increasing along with the growth of the service sector; in January, the strength in women's employment was evident in the goods-producing sector as well.

The participation rate for adult females, (42.7) and young people (62.8) was unchanged and employment increased faster than the labour force for both groups. As a result the unemployment rate declined 0.3 points in each case to 7.5 for adult females and 14.9 for youths. The participation rate for adult males declined 0.4 points to 80.7, and marginal changes in employment and the labour force resulted in no change in the unemployment rate at 5.0.

The employment ratio is the percentage of the working age population employed at a particular time and is another labour market indicator to compare with the unemployment rate and the participation rate. The employment ratio has an inverse relationship with

the unemployment rate and should have a direct relationship with the participation rate. An increase in the employment ratio should effect a decrease in the unemployment rate. In 1971 the employment ratio was 54.5, the unemployment rate 6.2 and participation rate 58.1. In 1974 the employment ratio increased to 57.3 as the participation rate rose to 60.5 and the unemployment rate declined to 5.3. In 1977, the participation increased further to 61.5 but the employment ratio decreased to 56.5, which in effect reflected the increase in the unemployment rate to 8.1 per cent.

In January, the total employment ratio was 56.5 (the same as in December); the ratio for adult males declined 0.2 points to 76.8, remained unchanged for adult females at 39.4 and increased 0.2 points to 53.4 for youths.

Employment increased in all regions except Quebec which decreased 13,000 or 0.5 per cent. Relatively, the increase in the Atlantic region was substantial, 9,000 or 1.2 per cent.

The unemployment rate decreased in three regions — in the Atlantic

region, (12.5), Ontario (6.9), and the Prairies (5.0). It increased in Quebec (11.4) and in British Columbia (8.7).

Employment in the goods-producing sector increased 11,000 (0.3 per cent) after declining in December. In manufacturing, it remained on its recent recovery trend, recording its third successive monthly increase. The increase in the latest three months was 32,000 (or 1.7 per cent). Construction increased in January (6,000 or 0.9 per cent), after the substantial drop in December. In the service sector, employment continued to grow slowly. It increased in utilities (5,000), finance (7,000) and community services (10,000), but declined in public administration (8,000).

Unadjusted data

The actual number of unemployed rose to 991,000 in January 1978, an increase of 102,000 from January 1977. The increase in the labour force was 325,000 (3.2 per cent) to 10,469,000 and in employment 223,000 (2.4 per cent) to 9,478,000. The unemployment rate was 9.5 in January 1978 compared with 8.3 in December 1977 and 8.8 in January 1977.

The average duration of unemployment increased to 13.4 weeks in January compared with 13.1 weeks a year earlier. The number of those unemployed for 14 weeks and longer was higher, while those unemployed for less than 13 weeks declined.

EARNINGS AND INCOME — NOVEMBER 1977

Average weekly earnings for the industrial composite (seasonally adjusted) remained virtually

unchanged between October and November. There were decreases in the forestry, construction and service industries while the other industry divisions reported gains. Regionally, earnings increased in the Atlantic provinces and Ontario, while in other regions they declined.

In manufacturing, the seasonally adjusted weekly earnings increased 0.6 per cent to \$273.36 in November. Average hourly earnings for the hourly-rated wage earners increased 6 cents to \$6.59 and average weekly hours declined to 38.5 from 38.7 in October.

On an unadjusted basis, average weekly earnings for the industrial composite advanced 8.3 per cent to \$256.17 in November from \$236.59 a year ago. In real terms, this amounted to a decrease of 1.1 per cent. In the industries, the highest paid workers in November 1977, were in construction with average weekly earnings of \$379.42 (year-over-year increase of 8.1 per cent), mining \$363.86 (8.9 per cent), utilities \$297.04 (8.7 per cent), manufacturing \$274.97 (9.1 per cent), finance, insurance and real estate \$234.55 (8.6 per cent), trade \$194.15 (8.0 per cent). The lowest paid workers were in service \$172.52, increasing at the slowest rate (5.3 per cent). By regions, average weekly earnings were British Columbia \$290.28 (7.8 per cent), Ontario \$256.28 (8.5 per cent), Quebec \$252.20 (8.7 per cent), the Prairies \$251.11 (7.5 per cent), and the Atlantic region \$224.59 (6.9 per cent).

Total labour income was estimated at \$10.2 billion for November, an increase of \$866 million or 9.2 per cent from November 1976. Seasonally adjusted wages and salaries increased by almost \$61 million (9.0 per cent) between

October and November to \$9.4 billion.

JOB VACANCIES — FOURTH QUARTER 1977

Preliminary estimates show that there were 36,700 vacant jobs in the fourth quarter of 1977, a decrease of 30.4 per cent from 52,700 in the third quarter and a decrease of 8.9 per cent from the fourth quarter of 1976. Vacancies for full-time jobs decreased by 30.1 per cent to 31,800 from the preceding quarter. Longer-term vacancies — those unfilled for more than four weeks — declined 20.4 per cent to 12,500.

For every thousand existing jobs in the latest quarter, four were vacant, a decrease of two from the third quarter. The comparable rate a year ago was five. The highest vacancy rates were observed in Alberta (7 per 1,000) followed by Ontario (5 per 1,000). The lowest rate (2 per 1,000) occurred in Newfoundland and Nova Scotia.

WAGE SETTLEMENTS — FOURTH QUARTER 1977

There were 123 major collective agreements settled in the fourth quarter of 1977. These provided for an average annual increase of 7.0 per cent in the base rates, compared with 7.4 per cent in the third quarter and 7.9 per cent in the fourth quarter of 1976. The 7.0 per cent increase was the lowest quarterly increase since the fourth quarter of 1972.

The annual average for 1977 was 7.7 per cent for all industries, 6.9 per cent for manufacturing and 7.5 per cent for commercial industries.

labour statistics

LABOUR MARKET

	Unadjusted			Seasonally Adjusted				
	Jan. 1977	Jan. 1978	% change ¹	Nov. 1977	Dec. 1977	Jan. 1978	% change ² Dec.	Jan.
TOTAL	(numbers in thousands)							
Labour Force	10,144	10,469	3.2	10,735	10,753	10,757	0.2	0.0
Employment	9,255	9,478	2.4	9,832	9,842	9,866	0.1	0.2
Unemployment	889	991	1.2	903	911	891	0.9	- 2.2
Unemployment Rate (%)	8.8	9.5	—	8.4	8.5	8.3	—	—
Participation Rate (%)	59.4	60.0	—	61.7	61.7	61.6	—	—
Both Sexes: 15-24	58.9	58.3	—	63.3	62.8	62.8	—	—
Men:	75.5	75.2	—	77.8	77.8	77.4	—	—
— 25 and over	79.7	79.8	—	81.0	81.1	80.9	—	—
Women:	43.8	45.3	—	46.2	46.3	46.4	—	—
— 25 and over	40.5	42.4	—	42.4	42.7	42.7	—	—
EMPLOYMENT	9,255	9,478	2.4	9,832	9,842	9,866	0.1	0.2
Both Sexes: 15-24	2,241	2,211	- 1.3	2,441	2,422	2,433	- 0.8	0.5
Men:	5,820	5,868	0.8	6,145	6,146	6,144	0.0	- 0.0
— 25 and over	4,609	4,697	1.9	4,816	4,821	4,823	0.1	0.0
Women:	3,436	3,610	5.0	3,687	3,696	3,722	0.2	0.7
— 25 and over	2,405	2,571	6.9	2,575	2,599	2,610	0.9	0.4
Paid Workers	8,358	8,513	1.9	8,825	8,814	8,831	- 0.1	0.2
— Non-Agriculture	8,243	8,413	2.1	8,687	8,687	8,704	0.0	0.2
In Industries								
Agriculture	413	400	- 3.1	472	458	456	- 3.0	- 0.4
Manufacturing	1,883	1,847	- 1.9	1,893	1,920	1,922	1.4	0.1
Construction	540	536	- 0.7	659	634	640	- 3.8	0.9
Trade	1,636	1,677	2.5	1,704	1,706	1,706	0.1	0.0
Services	2,590	2,749	6.1	2,773	2,785	2,795	0.4	0.4
By Regions								
Atlantic	667	697	4.5	740	739	748	- 0.1	1.2
Quebec	2,398	2,399	0.0	2,517	2,516	2,503	- 0.0	- 0.5
Ontario	3,595	3,698	2.9	3,801	3,803	3,817	0.1	0.4
Prairies	1,592	1,644	3.3	1,705	1,709	1,715	0.2	0.4
British Columbia	1,004	1,042	3.8	1,070	1,074	1,079	0.4	0.5
UNEMPLOYMENT RATE (%)	8.8	9.5	—	8.4	8.5	8.3	—	—
Both Sexes: 15-24	15.2	16.7	—	15.2	15.2	14.9	—	—
Men:	8.3	9.1	—	7.6	7.7	7.5	—	—
— 25 and over	5.7	6.2	—	4.8	5.0	5.0	—	—
Women:	9.6	10.1	—	9.8	9.7	9.5	—	—
— 25 and over	7.9	8.3	—	7.9	7.8	7.5	—	—
By Regions								
Atlantic	13.6	13.9	—	13.3	13.1	12.5	—	—
Quebec	10.3	12.4	—	11.1	11.3	11.4	—	—
Ontario	7.7	7.9	—	6.9	7.0	6.9	—	—
Prairies	5.9	6.3	—	5.0	5.1	5.0	—	—
British Columbia	10.0	9.9	—	8.5	8.6	8.7	—	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1977		1978	% Change From Previous Year			Current Annual Rate of Change		
	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.	Nov.	Dec.	Jan.
All-Items (1971 = 100)	166.1	167.2	167.8	9.1	9.5	9.0	11.3	11.2	7.7
Food "	188.4	191.5	193.0	13.9	15.4	14.9	17.6	21.9	16.8
Total Ex-Food "	158.3	158.8	159.1	7.4	7.4	6.8	9.4	7.4	4.1

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Nov. 1976	Nov. 1977P	% change ¹	Sept. 1977P	Oct. 1977P	Nov. 1977P	% change ² Oct.	Nov.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite (\$ Current)	236.59	256.17	8.3	254.89	255.87	255.99	0.4	0.0
Real (\$ 1971)	154.94	153.21	- 1.1	154.48	154.05	151.38	- 0.3	- 1.7
By Regions:								
Atlantic	210.02	224.59	6.9	225.05	225.00	225.74	- 0.0	0.3
Quebec	232.03	252.20	8.7	250.58	251.96	251.55	0.6	- 0.2
Ontario	236.14	256.28	8.5	254.59	254.93	256.05	0.1	0.4
Prairies	233.52	251.11	7.5	250.61	253.04	251.66	1.0	- 0.6
British Columbia	269.26	290.28	7.8	286.20	289.53	287.83	1.2	- 0.6
Manufacturing:								
Average Weekly Earnings (\$)	252.00	274.97	9.1	271.87	271.61	273.36	- 0.1	0.6
Average Hourly Earnings (\$)	5.98	6.58	10.0	6.55	6.53	6.59	- 0.3	0.9
Average Weekly Hours	39.1	38.9	- 0.5	38.6	38.7	38.5	0.3	- 0.5
Total Labour Income (\$ Million)	9,360.1	10,225.7	9.2	10,030.8	10,072.3	10,136.9	0.7	0.6
Wages and Salaries - Total	8,669.3	9,451.7	9.0	9,270.2	9,308.0	9,368.8	0.4	0.7
— Manufacturing	1,953.2	2,128.7	9.0	2,085.8	2,090.0	2,116.5	0.2	1.3

MAJOR COLLECTIVE BARGAINING SETTLEMENTS

	Annual		Quarterly							
			1976				1977			
	1976	1977	I	II	III	IV	I	II	III	IV
	(annual compound rates of change)									
All Industries	10.2	7.7	14.1	10.8	9.4	7.9	8.4	7.9	7.4	7.0
Commercial	9.6	7.5	12.4	10.3	8.9	7.2	7.8	7.3	7.4	7.9
Manufacturing	8.8	6.9	11.7	9.7	9.3	5.9	6.7	6.3	7.3	7.3

JOB VACANCIES

	Unadjusted				Seasonally Adjusted		
	1976		1977		1977		
	III	IV	I	II	III	IV	Nov.
	(numbers in thousands)						
All categories	62.3	40.3	39.7	49.7	52.7	36.7	46.8
Full-time jobs	54.7	35.8	35.3	43.2	45.5	31.8	41.0
Long-term vacancies	20.3	13.9	12.4	13.2	15.7	12.5	13.7

STRIKES AND LOCKOUTS

	1976				1977				
	II	III	IV	I	II	III	IV	Nov.	Dec.
Strikes and Lockouts	209	203	143	118	153	156	114	115	100
No. of Workers Involved	231,695	112,173	342,621	24,004	36,837	35,319	26,546	33,084	25,439
Man-days Lost — Total	864,817	1,466,900	927,813	203,510	314,633	340,773	281,370	271,850	368,560
— Manufacturing	296,383	501,157	278,540	110,100	207,630	189,653	131,787	141,890	99,130
Man-days Lost as a % of Estimated Working Time	0.48	0.79	0.50	0.11	0.17	0.18	0.15	0.14	0.21
— Manufacturing	0.74	1.18	0.67	0.28	0.52	0.46	0.34	0.34	0.26

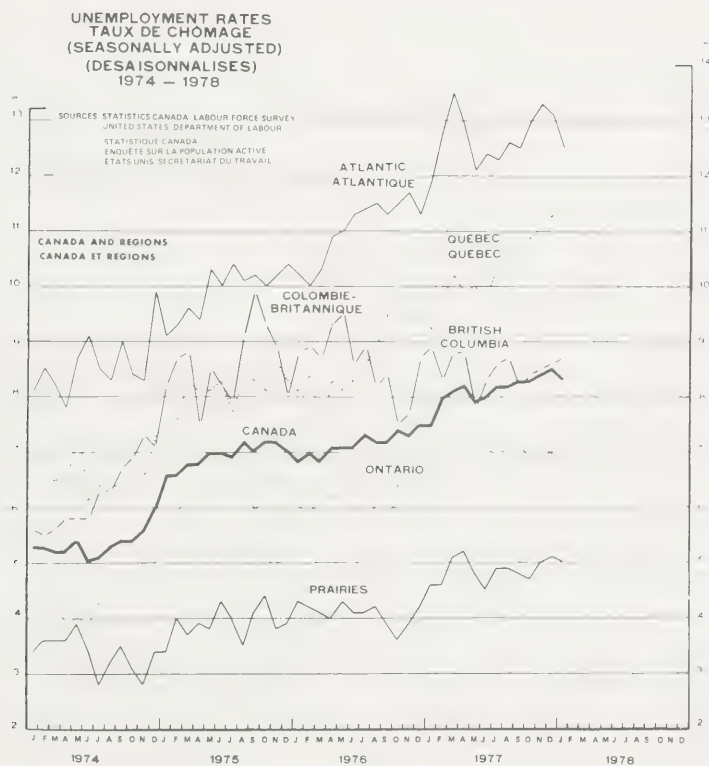
¹Per cent change from previous year.

²Per cent change from previous month.

Source: Statistics Canada, The Labour Force, Cat. No. 71-001.

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976 August 1, 1978 January 1, 1979	\$2.65 \$2.85 \$3.00	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1977 July 1, 1978	\$2.70 \$2.75	under 18: \$2.35 under 18: \$2.40
Quebec	January 1, 1978	\$3.27	under 18: \$3.07
Saskatchewan	January 31, 1978 June 30, 1978	\$3.15 \$3.25	no special rates no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates



STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, DECEMBER 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1977(1)	712	777	209,796	3,420,860	0.16
1976					
December	37	110	45,090	249,020	0.13
1977(2)					
January	49	114	29,257	224,380	0.13
February	46	109	19,510	175,520	0.12
March	71	131	23,444	210,630	0.12
April	78	150	38,439	331,380	0.21
May	72	152	34,853	298,340	0.20
June	69	156	37,218	314,180	0.17
July	51	138	38,698	406,080	0.26
August	77	156	35,812	352,710	0.20
September	74	174	31,446	263,530	0.17
October	53	128	21,119	203,700	0.14
November	49	115	33,084	271,850	0.17
December	23	100	25,439	368,560	0.21

- (1) Preliminary
(2) Revised, but not final

WORK STOPPAGES BY INDUSTRY, DECEMBER 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Dec.)
		Number	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	0	0	0	22,960
Fishing	0	0	0	0	14,960
Mines	0	1	10	200	93,930
Manufacturing	4	35	6,101	99,130	1,730,620
Construction	2	5	1,214	6,780	416,880
Transp. & Utilities	10	20	13,689	223,030	518,710
Trade	2	10	574	8,680	147,920
Finance	0	0	0	0	10,520
Service	3	22	3,085	27,220	347,380
Public Admin.	2	7	766	3,520	116,980
Various industries	0	0	0	0	0
TOTAL	23	100	25,439	368,560	3,420,860

WORK STOPPAGES BY JURISDICTION, DECEMBER, 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Dec.)
		Number	Workers involved	Duration in man-days	
Nfld.	0	1	813	160	96,660
P.E.I.	0	0	0	0	0
N.S.	0	3	97	660	22,260
N.B.	0	1	350	700	38,370
Quebec	4	40	8,574	114,990	1,385,130
Ontario	6	25	3,048	25,930	1,106,540
Manitoba	0	1	7	140	19,680
Saskatchewan	1	3	255	2,700	30,140
Alberta	0	4	475	7,330	80,260
B.C.	2	6	545	5,540	148,850
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	13	84	14,164	158,150	2,927,890
Federal Public Service(1)	8	8	751	3,600	16,600
Federal Industries(2)	2	8	10,524	206,810	476,370
Federal total	10	16	11,275	210,410	492,970
TOTAL	23	100	25,439	368,560	3,420,860

- (1) Covered under the Public Service Staff Relations Act.
(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1976. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

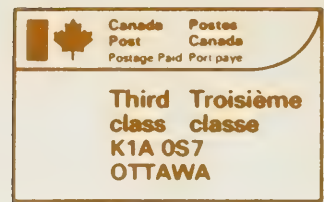
Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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**Labour
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newswire

THE ECONOMY

Structural problems

A study by the Conference Board in Canada says that while many of Canada's economic problems are cyclical in nature, there is "sufficient evidence" to support current concerns that longer term structural changes are under way that could have a "significant" bearing on the country's economic future.

The 100-page study report, entitled *Perspectives on the Canadian Economy: an Analysis of Cyclical Instability and Structural Change*, finds these principal areas of concern: The trends in Canadian international trade; persistent inflationary pressure; the composition and financing of future capital requirements; the implications for income distribution and other indicators of economic performance of a growing government sector, and the trend toward continuing high unemployment rates.

While the report predicts that a substantial improvement in Canada's balance of trade will result from the recovery of the world economy, combined with the devaluation of the Canadian dollar, it finds additional evidence to suggest the balance-of-trade problem is not entirely cyclical. It notes that there has been a growing deficit in trade in manufactured products throughout the 1970s and that this has coincided

with a rapid expansion in production costs in manufacturing. The report also foresees Canada incurring large deficits in trade in oil and gas by the early 1980s. It also questions whether the capital resources needed for scheduled energy projects can be generated in Canada, and notes that heavy reliance on foreign capital could inhibit improved trade performance through upward pressure on the exchange value of the Canadian dollar.

It also sees evidence of structural changes in a trend toward a higher rate of savings by consumers as well as a disparity in movement of the unemployment rate for different major segments of the labour force: "Unemployment rates for women and young people have experienced a secular increase since the mid-1960s while that for adult men has tended to decline." It attributes this to changes in the composition of the labour force combined with the inability of the economy to accommodate those changes readily.

The report also warns that removal of price and income controls means that "the potential for a further acceleration of inflationary measures cannot be dismissed."

The C.D. Howe Research Institute also discussed structural changes in its 1978 economic policy review, noting "striking similarities between the kinds of structural changes going on now and those that triggered long periods of economic recession in the past.

The 157-page report, entitled

Policy Review and Outlook, 1978: A Time for Realism, maintains that structural questions "are central to an understanding of the current economic scene." It says many of Canada's industrial and sectoral imbalances reflect the pressure of structural changes — in individual values and preferences, in industrial structure and in the balance of economic power among nations.

During the first half of the 1970s, the report notes, Canada was riding a crest of prosperity, resulting from its resource wealth and from "an unusual combination of demographic changes that have added considerably to the employment and earning power" of the population. Many imbalances built up in the economy during that period, but prosperity "permitted the postponement of many necessary adjustments to Canada's industrial structure and to its expenditure and income patterns."

The study adds: "These imbalances are now being reflected in chronic unemployment and rapid inflation, and indications are that traditional monetary and fiscal policies — the macro policies that act on total demand and supply in the economy — will not be sufficient to get the country off the unemployment-inflation treadmill."

Hence, it argues, decision makers in both government and private sectors will be forced to focus their attention on micro-economic questions — "the particular ailments of particular industries and sectors of the economy."

The C.D. Howe report admits this is a hard task — to integrate the macro and the micro aspects of economic analysis, but maintains it is necessary to take initiatives on both fronts.

The report also says that this combination of structural and cyclical problems is not unique to Canada. The international arena “is plagued by protectionism, by stagflation and by structural problems that arise from the increased political and economic power of the OPEC countries and the developing world.”

Some of Canada’s structural changes have resulted from “long, gradual shifts” in basic preferences or values: “The birth rate has declined, more women are working outside the home, the family has given up some of its broader welfare responsibilities to the state. In addition, there have been changes in leisure-income preferences; new systems of business organization have emerged, stressing participation over hierarchy; and the size and the role of government have expanded. These value changes in themselves are not economic problems, although they do create surprises in the way the economic system functions. When economists’ assumptions that past values will continue unchanged are not valid, the economic system seems in some sense strange and unpredictable. In effect, these surprises are signals that assumptions should change or that theory should be extended or altered. The difficulty is that economists do not know what new assumptions or theories to introduce into their models.

“Other structural changes experienced in recent years involve more abrupt shocks to the system. The price of energy has quadrupled in the international market and tripled in Canada...

Within Canada the high price of energy has given new impetus to economic activity in the West and is acting as a restraint on growth in the East. Other examples, somewhat less dramatic, include shifts in the location of potential new resource production, such as metals under the sea, and changes in technology, such as the introduction of new steel-production techniques.”

These structural changes “create direct challenges for economic policy which must simultaneously stabilize growth, employment and prices and facilitate society’s adjustment to new economic circumstances.”

Finally, it notes changes in the industrial structure of the economy, “for example, the expanding role of service production and the relative decline of manufacturing activities” and discussion of the need for a new industrial strategy. “One of the problems here is that a strategy that would make sense economically would not necessarily be judged acceptable politically,” it says.

Impact of free trade

If Canada adopted a policy of free trade, per capita income would rise in the Prairie provinces, British Columbia and the Atlantic provinces, Ontario workers would move to the Western provinces for higher wages, and unemployment would jump in Quebec. These conclusions appear in a study by Dr. Roma Dauphin, assistant dean of the Faculty of Arts of the University of Sherbrooke, published by the Economic Council of Canada under the title, *The Impact of Free Trade in Canada*.

The study report says free trade would result in a drop in real

wages across the country and an increase in the price of natural resources. This would cause a redistribution of income away from labour and toward the owners of natural resources.

“With a unilateral end to customs duties,” the report says, “per capita income in the four Western provinces would rise by about 4 per cent as a result of the increase in the price of natural resources.”

Industries involved in the processing of natural resources would take on more importance in the economy, but Ontario, with its high concentration of manufacturing would become less important. The price of manufactured goods would fall in relation to natural resources, wages would tend “not to rise” and workers who are sufficiently mobile would move to the Western provinces.

Free trade would have its most serious repercussions in Quebec, the report says. There would be an immediate increase in unemployment “because of the lack of mobility of the Quebec labour force,” and wage disparities between Quebec and the rest of Canada would widen.

INDUSTRIAL RELATIONS

Martin-Bouchard report

The report of a provincial commission, tabled Feb. 22 in Quebec’s National Assembly, proposes a fixed calendar for negotiations in the public sector. It also recommends that the Cabinet have the power to suspend the right to strike in some circumstances.

Under the timetable proposed by

the Martin-Bouchard commission, most public service negotiations would start Jan. 1 of the year collective agreements expire. Since most agreements in the public service, education and social affairs expire on June 30, this means a six-month head start on negotiations. Contract proposals by both parties would be made public April 1 and a mediation commission would be appointed by June 30 for a two-month period if no agreement had been reached by that date. The mediators would report to the government and the public on the state of negotiations on Sept. 1, and the parties would have the right to legal strike or lockout by Oct. 1.

The report also recommends that the cabinet be given the power to suspend the right to strike for 30

days "if an apprehended strike or lockout endangers health, public safety or the education of a group of students."

It also proposes that the total government wage package be negotiable in future contract talks. Governments have rejected this proposal in past years because 50 per cent of the provincial budget is made up of salaries and wages and the government would agree to negotiate only the *allocation* of the total amount.

The commission was appointed early last year, with Yves Martin, rector of the University of Sherbrooke as chairman, and two other members — Lucien Bouchard, a Chicoutimi lawyer, and Michel Grant, an official of the Canadian Union of Public Employees. Grant resigned from the commission early this year.

MEDIATION AND CONCILIATION

Federal training program

The first national conciliation officer trainee program was launched earlier this year by the Federal Mediation and Conciliation Service in an attempt to bolster Labour Canada's capacity as neutral intervener in industrial disputes in the private sector.

The department advertised in major newspapers across the country for candidates who offered a combination of academic training and experience in industrial relations. The candidates were required to be highly mobile and able to tolerate the stresses of conciliation. More than 235 applications were processed and three women and one man have been selected to participate in the year-long training program.

Guy de Merlis, director of the Service and co-ordinator of the project, says that although the women were chosen solely on the basis of their ability, the department is pleased it can correct a situation it has deplored for some time: a total lack of female conciliators in the service. In addition, he says the trainees will have an opportunity to learn the complex business slowly and thoroughly under the guidance of field officers. In the past, new conciliators were given brief on-the-job training.

WORK STOPPAGES

1977 record

Canada's industrial relations system functioned with much less time lost to strikes and lockouts during 1977 than in the previous year.

There were 803 work stoppages in 1977, down from 1,039 in 1976, and they involved 217,557 workers, compared with 1,570,940 the previous year, and cost 3,307,880 in lost man days, a decline of 71.5 per cent from 11,609,890 in 1976.

Only 15 man days were lost per 10,000 man days worked in paid non-agricultural employment in 1977, down from 55 in 1976. Measured in this way, or in terms of absolute numbers, the time lost was the least in any year since 1971.

The 334 strikes and lockouts reported during the fourth quarter of 1977 involved 77,628 workers and meant a total of 772,280 man days lost, or 14 man days for every 10,000 worked. The equivalent figures for the fourth quarter of 1976 were 429 strikes and lockouts, 1,027,864 workers, 2,783,440 man days lost and 50 man days for every 10,000 worked.

UNIONS

Labour "biggest threat"

"Big labour" has ranked first once again in the Canadian Institute of Public Opinion's annual poll on the question: "Speaking of the future, which do you think will be the biggest threat to Canada in years to come — big business, big labour or big government. Of the 1,010 Canadians surveyed in December, 1977, 38 per cent replied big labour, 35 per cent big government and 21 per cent big business. However, labour's popularity had improved since December 1976, when the equivalent percentages were 43 per cent for big labour, 33 per cent for big government, and 18 per cent for big business.

EMPLOYMENT

Native people's problems

Policies based on finding jobs for Indians by moving them off reserves are bound to be counter-productive, according to a research report published by McMaster University's Faculty of Business.

"People who advocate the assimilation of Indian people in the mainstream of Canadian culture and industrial life in order to overcome the native people's labour market problems are taking a simplistic view," writes Harish C. Jain in his 124-page analysis entitled *Labour Market Problems of Native People in Ontario*.

Despite the growing urbanization of the native population in both Ontario and Canada, "a majority of Indians live on reserves and will continue to do so," Jain observes, therefore policy options are needed to overcome the labour market problems of native people both off the reserves and on them.

To help those who choose to stay on reserves, Jain proposes financial assistance to develop reserve-based industries such as hunting, trapping and fishing, and to encourage a shift to occupations such as campsite supervisor, tourist guide and game or fire warden. Other possible options are "commuter operations" flying native people from geographically isolated reserves to their workplaces and back home again, and rotating work scheduling "to keep disruptions in family and reserve life to a minimum."

Jain also puts forward some assumptions which, he says, should be considered in developing employment options for

"change oriented" Indians ready to leave the reserve for work:

- "The onus of adaptation to an urban wage economy should not be placed entirely on native people. It should be facilitated by participation and acceptance by Indians themselves. Adaptation can be successful only if they (the natives) could identify with the goals of the adaptation plan such as on-the-job training, etc.

- "Indians do not necessarily have a natural aversion to material wealth. Their rates of turnover and of absenteeism are not higher than non-Indian rates. They could be expected to operate within a disciplined and structured work situation.

- "Indians are not averse to taking on work unrelated to their traditional employment."

Given these assumptions, he offers several policy options for gainful employment, "the single most important reason for the growing movement of natives to urban centres."

First, he calls for anti-discrimination clauses in all contracts with various levels of government in Ontario. He also recommends programs of compensatory employment or "positive discrimination" allowing employers in both public and private sectors to provide special training facilities for native workers and to encourage them to take advantage of opportunities. He also urges more use of the "new careers" approach which offers alternative systems of education and on-the-job training to people with a disadvantaged background.

Many native people have a disadvantaged background which makes it difficult for them to benefit from existing manpower training

programs: "Most of the native workers probably lack adaptive skills that enable an individual to meet the demands for conformity (e.g., punctuality, dress requirements, etc.) and change due to the physical, interpersonal and organizational arrangements and conditions of a job."

He adds, however, that "recurrent education and training are capable of providing continuing opportunity for those who are most disadvantaged in the labour market to have a second and third chance to improve their relative position in the occupational and income hierarchy rather than being dependent on early (youth) education alone."

Jain's analysis confirms the widely held beliefs that native people's unemployment and school dropout rates are excessively high and that an overwhelming majority of them earn poverty incomes. He also notes a continuing increase in the proportion receiving welfare. Those who do have jobs are over-represented in primary and unskilled occupational categories compared with non-Indians but are under-represented in skilled, managerial and professional categories.

He observes that it is not only the physical isolation of most reserves that prevents Indians from taking advantage of employment opportunities but also social and cultural barriers such as "language, culture and lifestyle."

City size significant

An International Labour Organization study suggests that prospects of finding jobs are best in cities with a population of more than one million, but start to decline when the population reaches five million. The study, by Paul Bairoch, says the employ-

ment rate in cities of one million or more in developed countries is 12.5 per cent higher than in cities with populations of 100,000 to 200,000. Bairoch also finds that capital cities usually have less unemployment than other communities of a similar size because a concentration of government services provides steady employment to many.

PENSIONS

Women's position ignored

A report published by the Canadian Council on Social Development calls on the private pension industry to move toward full indexation of pension benefits to the Consumer Price Index, and says government support may be needed to achieve this objective.

It also wants private plans to move toward immediate "vesting" of pension contributions — "establishing an employee's rights to employer contributions toward his or her pension." Most plans now require that the employee remain with a specific employer for a number of years before achieving this right.

The 254-page report, written by Kevin Collins, and entitled *Women and Pensions*, contends that the position of women in the pension system has been largely ignored in the "great pension debate."

"Yet households headed by women over 65 are increasing, poverty among the female elderly is shocking, and women are getting a rotten deal from both the public and private systems," it adds.

It says under present vesting arrangements, women are subsidizing private plans because of their

high job turnover rates and high likelihood of receiving only their contributions back (often without interest) upon termination of employment.

The report also recommends that both old-age security and guaranteed-income programs be income-tested and extended to the 60-64 age group. It also says the income guarantee under both programs should be increased to the Council's "relative" poverty line. "Based on 1977 income levels, the CSSD relative poverty lines are estimated at \$4,000 a year for a single person and \$7,300 for a couple." This would mean an increase of \$120 a month in the single rate and of \$70-per-person a month in the rate for couples.

At the time Collins prepared the report he was a Council staff member. He has since been appointed a senior economist at the Canadian Labour Congress.

FEDERATIONS OF LABOUR

Alberta convention

The 700 delegates to the Alberta Federation of Labour convention, in Edmonton, Jan. 18-20, heard a plea from former Canadian Labour Congress President Joe Morris for unions to transfer more power to the national level "where it can be used to influence political events and social change."

Organized labour must develop "muscle structure" at the national level, while collective bargaining continues at the local level, Morris said. Had this been done sooner, he added, "wage and price controls would never have come into effect" because labour would have had more clout in dealing with the federal government.

Morris also said there was a continuing need for organized labour to meet with government and big business, but the delegates later adopted, by a narrow margin, a resolution opposing the CLC's policy of tripartism, adopted at its 1976 biennial convention.

Also adopted was a committee report criticizing the Alberta government for "dragging its heels" on health and safety.... It complained that there were only 90 joint worker-management health and safety committees in the province and none in the construction industry. The delegates also called for job health and safety courses at the province's universities.

They took time off from their deliberations on Jan. 19 to join a picket line at the Parkland Nursing Home where members of a Canadian Union of Public Employees local had been on strike for 10 months seeking a first collective agreement. They defied an Alberta Supreme Court injunction limiting the number of pickets at the home to six.

A major policy paper adopted by the convention called for a one-month moratorium on personal income tax, a 5-per-cent tax reduction for people earning less than \$15,000 a year, and a \$50-a-month increase in old-age pensions — all aimed at stimulating the economy and reducing unemployment.

The convention also endorsed resolutions calling for restrictions on foreign ownership and the flow of profits out of the country and the denial of work permits to foreigners for jobs that could be filled by Canadians.

Voting for the Federation's executive committee resulted in only one change, Bill Petrie of Edmonton replacing fellow CUPE

representative Ian Downie as second vice-president. Re-elected were Frank Kuzemski, first vice-president; Jack Dyck, secretary-treasurer, and general vice-presidents Red Basken, Bill Broad, Jack Hubler, and Larry Mead. Federation president Harry Kostiuk is completing the first year of a two-year term to which he was elected at the 1977 convention.

AGE

Stereotypes persist

Older employees are seen as potentially less employable than younger employees particularly for demanding managerial positions, less capable of responding creatively, enthusiastically and efficiently to job demands, less interested in change and less capable of coping with future challenges.

A survey of *Harvard Business Review* readers shows that although respondents favour affirmative-action efforts and elimination of mandatory retirement policies, unconscious age stereotypes can mean older employees are potential victims of unfair treatment.

Few managers provide organizational support for career development and retaining of older employees, promotion opportunities are restricted when new positions demand creativity, mental alertness or capacity to deal with crisis situations. Managers also make much less effort to give an older person feedback about needed changes in performance.

Short-run prospects for change seem bleak, but faced with a shrinking differential in the ratio of working to retired persons, our

society will soon be forced to consider alternatives to mandatory retirement, including more emphasis on part-time work, flexible hours and gradual or phased retirement.

QUALITY OF WORKLIFE

Costs of job enrichment

A survey of 58 United States business organizations finds that job-enrichment programs can generate substantial benefits in terms of work performance, more effective utilization of resources and reduced absenteeism, but the benefits are not free. The costs include increased wages, and training and project implementation expenses.

The survey was conducted by Antone F. Alber, an assistant professor at Bradley University's Department of Business Management and Administration. He found six categories of economic benefits from job-enrichment programs — improvement in work quality, more effective resource utilization, improvement in working conditions, reduced absenteeism, reduced turnover, and reductions in manpower. But not all the organizations reported gaining every one of the benefits. And three of them experienced a deterioration in work quality "due to a greater job complexity associated with the revised work style" as well as other factors.

Compensation levels rose by 5 to 35 per cent, with an average increase of 14 per cent in those organizations that had to implement them. Training required an average 12.5 days per employee, with the cost of instructors, tuition and other direct expenses averaging \$283 per employee. Alber found, however, that the cost of implementing job-enrichment

programs was frequently the largest single cost factor, "with the bulk of these outlays going for the individuals who design and execute the job enrichment programs." Of 51 projects studied, an average of 0.08 man years each was required to plan and execute the programs — at an average cost of \$1,075 for each employee whose job was being enriched.

EMPLOYEE EARNINGS

Blue-white differential

The old notion that the road to success leads through the college classroom and ends in air-conditioned offices is being challenged by a new American blue-collar elite that are proud of what they do, well paid and challenged by their jobs.

Economist Sar A. Levitan of George Washington University expects the economic status of blue-collar workers to continue rising. "The potential plumbers, electricians and bakers are going to college," he said. "Fewer entrants into these skilled trades means better pay for those who enter them and less bargaining power for college graduates."

White-collar occupations have lagged behind blue-collar occupations in wage increases for the past 10 years. The pay of professional, technical and managerial workers and administrators went up an average of 6.5 per cent from 1967 to 1976 but the pay of craft workers rose 6.9 per cent.

An average bank employee makes \$3.50 an hour and a top-rated secretary can make \$12,342 a year, whereas an average auto plant worker is paid \$7.92 an hour and a tuna fisherman can pull in \$25,000 a year. [9]

Jobs versus the environment: difficult decisions ahead

by Bill Megalli

With unemployment at such an alarmingly high level, the question of jobs versus the environment has become a pressing and potentially explosive one. Already the clash of interests over this long-simmering issue has given rise to a national debate which could have far-reaching implications for labour, management, government and the general public. In the absence of anything approaching a national consensus of opinion, however, clearcut decisions are going to be difficult, if not impossible. But if this important issue is to be resolved — and some kind of resolution is certainly long overdue — may hard-fought battles undoubtedly lie ahead.

An interesting foretaste of what is likely to be involved was provided in Ottawa between February 19th and 21st this year, when advocates from all sides of the debate presented their cases at the first Conference on Jobs and the Environment to be held in Canada. However, after numerous addresses, discussions, and workshops, industrialists, unionists and environmentalists remained as far apart as ever, with the government caught uncomfortably in the middle. Indeed, if anything, the parties are now heading toward an even more complete polarization — at a time when all are simultaneously demanding immediate action on this pressing issue.

Donald Montgomery, Secretary-Treasurer of the Canadian Labour Congress (CLC), which organized the conference, came out unequi-

vocally in favour of sacrificing the environment rather than risking jobs. With unemployment at approximately one million, Montgomery said, "it would be an act of criminal irresponsibility to place jobs at risk, even for serious environmental considerations.

"Society may well be faced with the very real prospect of social disorder, arising from the despair and alienation of unemployed workers who perceive their government as being preoccupied with matters other than producing desperately needed jobs," he added.

"There has to be a reconciliation between the imperatives of jobs and of the environment; and that is one of the main reasons why this conference is being held. However, it is a bit much to expect workers to meekly accept becoming the victims of environmentally induced unemployment, even in normal times, because it is alleged to be in the public interest."

But, he went on, "if the public interest, when properly defined, must prevail, then the burden must be borne by society at large."

...unionists and environmentalists remained as far apart as ever, with the government caught uncomfortably in the middle

Montgomery said the CLC intends to press vigorously for establishment of an environmental unemployment compensation fund that would provide indefinite compensation and continuation of certain fringe benefits to affected workers.

Montgomery also sharply criticized what he termed the lack of coordination of policies both within and between governments on the question of environmental legislation, and expressed "shock and dismay" about statements of the federal energy minister, and the Ontario environment minister, on the impact of current Canadian anti-pollution laws. "The federal minister asserted this was one of the reasons why INCO moved part of its Sudbury operation to the pollution havens of Indonesia and Guatemala — at the cost of some 3,000 Canadian jobs. This is a shocking example of environmentally induced unemployment, as well as an indication that an increasing number of jobs are at risk in the future," he said.

While it was Montgomery's speech that understandably captured the headlines, it remains to be seen whether his position will be universally supported by the CLC's 2.3 million members across Canada, or by other labour bodies. Montgomery's views, for example, clearly differed from those of John W. Eleen, director of research for the Ontario Federation of Labour (OFL), who criticized the federal government for



As far apart as ever...

being too soft in enforcing pollution controls, and called for greater pressure from both public and organized labour on the issue.

The keynote address to the conference was delivered by federal Fisheries and Environment Minister Len Marchand, who warned that environmental protection is no luxury even in difficult economic times.

"Either we pay a relatively small price now to prevent damage to our environment, or we pay a large price later to repair that damage," he declared. He also expressed the view that environmental protection need not necessarily cost jobs. "In fact, preventing and controlling environmental damage has grown into a thriving industry in Canada, an industry that creates new jobs and new technology that other nations are buying from us," he

said. Again and again Marchand stressed that there need be no conflict between environmental and job protection. But he conceded that "I know many Canadians think that we can only have one at the expense of the other."

... "it would be an act of criminal irresponsibility to place jobs at risk, even for serious environmental considerations."

Marchand served notice to industry that creating more jobs is not the prime or sole factor to be considered. "It is my job as federal minister of the Environment to protect our environment. The Canadian chemical industry will spend some \$3 billion in the next

ten years on further growth...I welcome the jobs that \$3 billion worth of growth will create, but I have to be concerned, when a new chemical comes out of the laboratory and into the world. We must weigh those costs carefully against the promised advantages."

The minister said he was not singling out the chemical industry, but merely using it as an example. "The same prudence must apply in all sectors. We must have economic growth, but we must also have a safe and healthy environment."

At the same time, the federal government has taken steps to ease the financial burden on industry, Marchand said, citing as an example the extension of the Accelerated Capital Cost Allowance, which lets a company write

off the complete cost of pollution control equipment in two years. He also challenged the audience to come up with a single case in Canada where environmental controls have been the main reason for a plant being forced to close its doors.

Dr. R.D. Duncan, vice-president of Corporate Services for the Abitibi Paper Company Ltd., agreed with Marchand that the conference was 'timely' but differed with him on almost every other issue. Duncan said the twin goals of economic improvement and a cleaner environment are not always compatible and that "...some priorities must be established and some choices made." He agreed with the CLC's Montgomery, saying that although he basically supported reasonable environmental protection, "...we begin to dig in our heels at the level where costs are high for small or questionable improvements."

Duncan emphasized at the outset that his views were only "those of the Abitibi Paper Company Ltd. management — or my own. I do not stand as the spokesman for the pulp and paper industry." As the main industry representative at the conference, however, there was little doubt that he reflected, more or less, the attitude of industry as a whole.

Duncan said the pulp and paper industry earns over \$4.5 billion in foreign currency annually and is the leading employer in Canadian manufacturing, with over 100,000 employees. "Half of them depend for their jobs on the sale of our product outside Canada," he added. However, he went on to warn that environmental legislation is making many industries unable to stand competition in foreign markets and forcing them to contemplate moving to other

"Either we pay a relatively small price now to prevent damage to our environment, or we pay a large price later to repair that damage"

countries where environmental controls are less costly.

The Canadian pulp and paper industry is not cost competitive in world markets, Duncan said, and its top priority must be better productivity, not pouring millions of dollars into extra pollution controls. He said that in the case of the newsprint industry, costs in Canada were \$30-\$40 per ton, 18 per cent higher than the average in the U.S.

"It is absolutely vital that our total cost structure be kept on a par with the U.S. — or we are in for a dismal future. If we cannot produce cheaply enough to maintain our U.S. business, then the product will be made there.... If evidence of another sort is needed, at last count there were 25 paper-making machines on order for installation in the U.S. — none in Canada," Duncan said.

He maintained that the crucial factor here is anti-pollution costs, citing a recently agreed-upon pollution abatement program for seven Abitibi mills in Ontario. The total cost will be \$44 million over the next five years, yet the estimated financial return on \$35 million of this is negative, he declared, "and one large chunk, \$25 million, is for a major project at one mill to eliminate about 37 tons per day of BOD-type pollution going into Lake Superior. There is no financial return; in fact it will add about one million dollars per year to operating costs. To top it off, we must purchase an additional 38,000 HP of electrical

energy, and about 40 jobs will be lost."

Duncan continued, "we simply do not believe that our social responsibility should be on the side of this particular environmental clean-up project at this critical time, rather than on the side of helping our economic position and its favorable social consequences."

Duncan also blasted, as a myth, what he termed "the picture that gets painted that we are slow to clean up because we know that governments won't press their 'friends', that the risk of being

"...we begin to dig in our heels at the level where costs are high for small or questionable improvements"

hailed into court is small, and that when it happens the fines that may result are insignificant." In the past ten years, he said, despite inadequate earnings, Abitibi has dedicated 24 per cent of all capital spending on primary pulp and paper mills to pollution-abatement related items.

Several times, Duncan made it clear that each case will have to be fought on its own merits. "Clearly a mill that is weak economically and has a dim future is no candidate for large capital expenditures [on pollution control] that will only serve to make matters worse." He also criticized across-the-board standards requiring all companies to clean up to the same level regardless of cost and need. "If the benefit is of little significance, and the cost will contribute to a mill closure, or a planned running-down of a marginal facility, then it becomes a poor trade-off. Such marginal operations do make a contribution

to the economy, and provide jobs. Environmental concerns have their place. But with the potential for imposing financially crippling air, water and solid waste environmental programs, it becomes essential that realism prevail with both federal and provincial regulatory bodies," he declared.

Duncan also referred to what he termed the "emotional charge" that environmentalists are able to evoke among the public, causing political echoes and making reasonable appraisals more difficult. "Their seemingly moral and ethical position gives credibility for whatever action they advocate — quite often in the name of the public." A "lopsided appraisal of the issue is bound to emerge from these circumstances," he said.

The most outstanding example of this process, according to Duncan,

Canada should concentrate on its natural gas resources as a transitional stage, in preparation for the fast-approaching age of solar energy

was the present debate on nuclear power, and it was on this very issue that he later clashed with environmentalist Barry Commoner, chairman of the Scientists' Institute for Public Information in New York. In fact, it was Commoner who drew the loudest applause from the conference for his address on the feasibility of solar energy. He cited a number of U.S. studies which show that nuclear energy is uneconomical as well as hazardous. He said that rather than turn to nuclear energy, Canada should concentrate on its natural gas resources as a transitional stage, in preparation for the

fast-approaching age of solar energy.

Commoner said the choice of which form of energy we use, as well as having implications for the issue of jobs versus the environment, may also prove of key significance for other major economic problems. In particular he pointed to the inflation that has resulted from rapid escalations in the cost of energy from non-renewable sources and predicted the prices of such energy — including oil, natural gas, coal and uranium — could well continue to increase in price exponentially. He also suggested, in relation to nuclear energy, that the infinitely higher capital costs associated with investment in this energy source would mean a depressed investment in other economic sectors resulting in fewer jobs. Reliance on nuclear energy in the United States, he insisted, would lead the country to its economic Waterloo, and he warned that the same fate could easily befall Canada. Canadians, he said, should study the alternatives exhaustively before committing themselves to a path of no return.

In the course of his speech Commoner roundly rejected the argument that anti-pollution costs are a real factor in unemployment and ended it with the following appeal: "Only (organized) labour has the political strength to break the corporate stranglehold on energy and to help society apply the power of public governance to the creation of a new energy system that can truly serve human welfare."

The main proposals and recommendations of the conference's ten workshops were finally summed up by Bill Ridgeway, president of the National Union of Provincial Government Employees. Prominent among these were:



"I can only say I'll let you know. I have another four hundred applicants to see."

- The need to define a clear method to identify environmentally-related layoffs and closures, to help avoid controversy over the issue.

- The need for all involved parties to co-operate in retraining programs for workers displaced as a result of environmental action.

- A government commitment to stop being extremely secretive about its studies and intentions, where these have an effect on jobs or the environment.

- That labour, management and concerned groups should have ample time for legitimate input of pressure through contact with relevant ministers. That such input should be recognized and encouraged by the government, and that grants should be available to help in preparing studies supporting the viewpoints of environmentalists or other concerned groups.

- Greater effort should be exerted to internationalize environmental standards and thus restrict the freedom of multinationals to relocate abroad.

Greater effort should be exerted to internationalize environmental standards and thus restrict the freedom of multinationals to relocate abroad

- Legislative confusion should be remedied by federal and provincial governments, with the former setting guidelines and the latter implementing them with relevant modifications.


- Potential victims should be included in the decision-making process.

- All energy sources must be investigated to develop energy from the widest variety of sources.

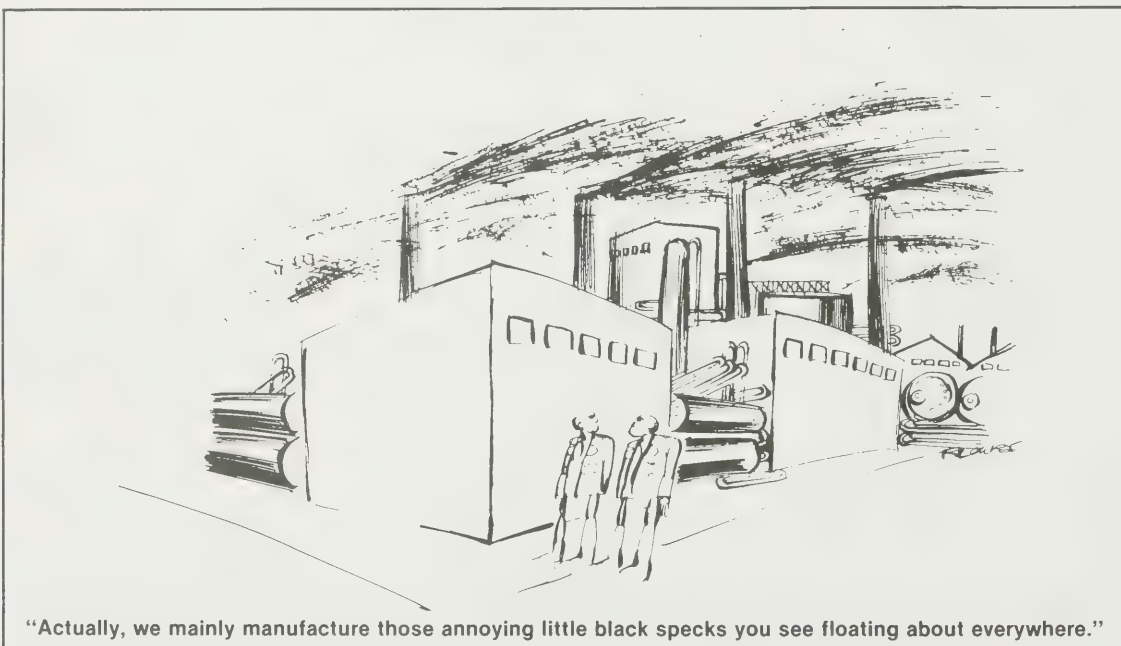
- Unions, through the bargaining process, should seek greater input in corporate and government decisions.

On this occasion it was the environmentalists who had the last-minute chance to express their concerns, and in taking it they denounced press reports

which they said gave the impression that the conference had decided to give jobs priority over the environment. They also criticized government blueprints on energy and charged that jobs were being falsely portrayed as the price that must be paid to protect the environment.

In his closing remarks the conference chairman observed that no one had really expected the conference would produce solutions, and that this was only the first in a series of meetings on the issue. He said provincial governments had given assurances that they will hold similar conferences during the current year in an effort to help crystallize attitudes and resolve differences. Indeed, this seemed to be the only point on which all the conference participants seemed to agree, namely that the debate on jobs and the environment should be continued. As the 250 delegates left the conference only one thing could be said with any certainty: that a lot of bitter fighting over this highly contentious issue lies ahead. 

Punch-Rothco



Making collective bargaining work

by Roy LaBerge

The Ontario Education Relations Commission has gone a long way toward smoothing the stormy seas that have characterized negotiations in recent years between school boards and teachers in the province. It is also setting an example for other jurisdictions in providing collective bargaining data and effective mediation services to the parties at the negotiating table.

The five-member commission, headed by Owen Shime, a respected labour lawyer and arbitrator, was established in July 1975 under Bill 100, the School Boards and Teachers Collective Negotiations Act.

The Act was long overdue. Ontario was the only province that lacked legislation governing school negotiations. Bill 100 was introduced after five years of public outcries for legislation in response to disruptions of the school systems by a rash of teacher strikes. Three school systems were hit by walk-outs in the 1972-73 school year; three more in 1973-74 and 11 in 1974-75. In addition, there were 11 other bargaining situations where teachers worked to rule during the three school years.

In the commission's first year of operation, while it was still recruiting staff and organizing its services, there were more disruptions. In Metropolitan Toronto, the schooling of 106,000 students at 144 schools was disrupted by 38 consecutive days of strikes and

lockouts affecting 8,458 teachers. In Windsor, 12 schools with 12,400 pupils were shut down for 26 days by similar work stoppages. Smaller boards were also hit by lockouts, strikes and work to rules — Kent County for a total of 81 days, central Algoma for 35 days, Kirkland Lake for 44 days and Sault Ste. Marie for 59 days.

The Kent County disruptions — four days of total withdrawal of services, eight days of lockout, 53 days of work-to-rule and 16 days of rotating strikes — were finally

A 'fact finder' process must be followed before strike action may be taken

ended by voluntary arbitration. But it took special Acts of the provincial legislature, all but one imposing compulsory arbitration, to get the teachers back in the classrooms in the other schools.

In 1976-77 the second year of the commission's operation, there were only three strikes. But the province didn't step into any of them. Nor did the commission, as many had expected, inform the government that any of the strikes had reached the stage where the pupils' school year would be jeopardized.

An otherwise excellent record for 1977-78 was marred when 517 Essex County separate school teachers left their classrooms

Jan. 8, closing 28 schools with 10,000 pupils. The strike, which lasted seven weeks, was the longest elementary school teachers' strike in the history of Ontario.

The Act retains most of the traditional customs and practices that had been developed throughout the province in the previous five decades. Negotiations are still carried on at the local level between the school board and the branch or local of the teachers' union. However, either party may obtain bargaining advice or help from outside sources if it so wishes.

Agreements are for a minimum of one year and all become effective on Sept. 1 and expire on Aug. 31. The negotiations may cover any term or condition of employment, but no term of an agreement may conflict with existing legislation. Every agreement must include a procedure for resolving disputes that may arise during its life. The parties may ask the commission for assistance at any time during negotiations.

The Act grants teachers the right to strike and school boards the right to respond to strike action by locking out teachers or closing schools. A strike is broadly defined so as to include work-to-rule, mass resignations and the withdrawal of services.

However, before strike action can

be taken, a "fact finding" process must be followed, and the commission must supervise strike votes of the union branches.

The Act applies to all school boards, with a few stipulated exceptions, and to all teachers who are members of the five affiliate bodies of the Ontario Teachers' Federation: L'Association des enseignants Franco-Ontariens, The Federation of Women Teachers' Associations of Ontario, the Ontario English Catholic Teachers' Association, The Ontario Public School Men Teachers' Federation, and The Ontario Secondary School Teachers' Federation.

In all about 108,000 teachers in the province have their terms and conditions of employment negotiated under the provisions of the Act.

The Act called for the establishment of the independent, five-member commission with a wide range of tasks: assisting the parties in negotiations, compiling statistical information, selecting and training mediators, fact finders or arbitrators, determining whether the parties are negotiating in good faith, and determining the manner of conducting and supervising secret ballot votes.

The commission is also entrusted with advising the cabinet when, in its opinion, "the continuance of a strike, lockout, or closing of a school or schools will place in jeopardy the successful completion of courses of study by the students affected by the strike, lockout or closing of a school or schools."

An important feature of the legislation is that it provides a wide variety of alternatives the parties may use if they feel they need help with their face-to-face bargaining.

One of the commission's biggest jobs was to find and train people who could act as knowledgeable mediators and fact finders

Either or both parties may request a fact finder at any time during the negotiations — a neutral third party appointed by the commission to investigate a particular negotiation and write a report. The commission may unilaterally appoint a fact finder if it feels the parties are at an impasse.

The fact finder's report must set out both the matters on which the

parties have reached agreement and those on which they have not. The report may include recommendations for settlement, but they are not binding on the parties. If the parties do not reach an agreement within 15 or 20 days of receiving the report, it is made public.

Another option available is voluntary arbitration to which both sides must agree. The parties also have a choice of naming an arbitrator themselves or asking the commission to appoint one. Or they may choose to have arbitration by a three-person board. Each party names one member of the board and, if they cannot agree on a

The Globe and Mail



'Frankly, I just don't understand it — this disillusionment with university education. You'll never regret your MA, will you, Mrs. Stooles? . . . Er, you missed a spot.'

neutral chairman, the commission appoints one. The board has 60 days to complete its report, and each party has 30 days to prepare and sign an agreement incorporating the arbitrated decisions along with the items previously agreed to at the bargaining table. The parties used voluntary arbitration five times during the 1976-77 year.

Also available is the option of final offer selection. Again, the parties may agree on the selector or ask the Commission to appoint one. Within 15 days of the selector's appointment, each party's final position in dispute is presented to him or her. The parties may then provide written responses to each other's position, and the selector may hold a hearing or hearings. Within 15 days of the final hearing, the selector must choose one party's final offer in its entirety. This offer is incorporated in an agreement which also includes the items to which the parties agreed during negotiations. This option was used in three bargaining situations in 1976-77.

One responsibility the commission is fulfilling most effectively is compiling statistical information on the "supply, distribution, professional activities and salaries of teachers."

It receives copies of all agreements between teachers and school boards, and extracts from them information on salaries, working conditions, such as pupil-teacher ratios and class size, medical, dental and life insurance coverage and other fringe benefits, sabbatical leave, sick leave, grievance procedures.

Added to its data bank are other relevant factors such as cost and wage indexes and information relating to other professions and occupations. This mass of information is available to the parties and

to the fact finders, mediators and arbitrators — almost instantly because it is stored in a computer.

Certainly if negotiations break down it will not be for lack of detailed comparative information. If a negotiator phones and asks for minima and maxima for a particular group of boards, for example, they are provided on a strictly factual basis with no comment from the commission.

The commission members have been described as 'a collection of shrewd lawyers and grizzled old school superintendents'

The commission has also become a prolific publisher, putting out annual overviews of teacher/board agreements; an annual report on teacher placement, containing grid distributions of teachers, total staff and enrolment; a monograph series on such subjects as cost-of-living, dental plans, group insurance plans, long-term disability plans and fact finding; and a series called "Teacher Board College Agreement Clause File" providing clauses on specific areas such as management rights, class size, pupil-teacher ratio, instructional load, non-instructional load and others. The commission also publishes an annual report containing a summary of every collective agreement negotiated in the province.

One of the biggest jobs facing the commission in its first year was finding and training people who could act as knowledgeable mediators and fact finders.

"We had to train a whole series of neutrals to function in the collective bargaining process for education," Shime explains. "We exposed 80 to 100 people to a training process and now have a

cadre of 45-60 people capable of serving as mediators, fact finders and arbitrators."

How were they chosen? The commission conducted seminars for recruits selected from all sectors — former trustees and directors of education and teachers, former trade unionists, former management people, some lawyers and some professors. It also placed new people with more experienced ones for "on-the-job" training.

One side result was that the commission trained a number of skilled grievance arbitrators who are now being called on to arbitrate disputes in other sectors of society.

On the drawing board is a proposal for a more intensive training program that would likely involve some co-ordination with an industrial relations or law school.

Both lawyers and lay people need training, according to Shime: "Non-lawyers need to learn some of the legal aspects of the process, while some lawyers need to develop a sense of understanding and comprehension of the collective bargaining system."

David Lewis Stein, a *Toronto Star* writer has aptly described the commission members as a "collection of shrewd lawyers and grizzled old school superintendents."

Shime, the chairman, is an experienced labour arbitrator and mediator. He was vice-chairman of the Ontario Labour Relations Board from 1968 to 1973, and in 1973 was appointed special adviser to the Ontario Ministry of Labour in implementing a report of the Task Force on the Restructuring of the Workmen's Compensation Board.

'Ninety nine percent of those interviewed are in favor of the teachers'
Right to strike against the public...



The Christian Science Monitor

Harry W. Arthurs, the first vice-chairman, has been dean of Osgoode Hall Law School since 1972. This youthful, bearded specialist in labour law, has established a sound reputation as arbitrator and conciliator in labour disputes in the province since 1962. He is also the author of articles and books on labour relations legislation. Arthurs resigned from the commission in August, 1977, and was replaced as vice-chairman by George W. Adams, who as Ontario's assistant deputy minister of labour, has established a solid reputation as a professor of

labour relations at Osgoode Hall Law School and as chairman of the Ontario Public Service Grievance Settlement Board.

One responsibility the commission is fulfilling most effectively is compiling statistical information...

Dr. Lita-Rose Betcherman is a former director of the Women's Bureau of the provincial ministry of labour. A labour arbitrator since 1973, she served in 1973-74 as

chairman of an interministerial committee on the status of women.

Gabrielle Levasseur, a former teacher and secretary-treasurer of the Association des Enseignants Franco-Ontariens, has had 15 years experience in working with boards, teachers and principals, including participating in contract negotiations.

John S. Ronson, organization development manager for the Steel Company of Canada Limited, is a former chairman of the Sheridan College Board of Governors, a past chairman of the Burlington Board of Education, and a former member of the Halton County Board of Education. Ronson is also a former chairman of the Ontario School Trustees' Council.

The commission cannot take all the credit, of course. The Anti-Inflation Program, with its mandatory compensation ceilings, and the slow economic growth of recent years, have left many teachers hesitant to use the strike weapon.

Few would deny, however, that the commission has made an excellent contribution as a "communications satellite, providing channels of negotiation and impasse resolution," to quote D.C. Sifton, an Oxford County board administrator.

Praise for the commission's work has also come from Brian Downie, a professor at the Queen's University School of Business, who expects shortly to publish results of a major study of its operations.

"The commission has taken a major step in making collective bargaining work," says Downie. "And Bill 100 is proving to be a good model for settling labour disputes in the public sector." **lg**

The Vermont Asbestos Group: an experiment in employee ownership

by Paulette Bourgeois

The GAF Corporation stunned workers in a small Vermont town just 25 miles south of the Canadian border when they announced in January, 1974, that rather than incur "excessive" costs to meet the U.S. federal anti-pollution requirements they would close their asbestos mine and layoff 178 men.

Initially both workers and members of the area's commercial centre were shocked that the company *Fortune* magazine listed as one of the nation's 500 leading industrials could strand its employees. But to the surprise of GAF, the workers and the local inhabitants of Lowell, Vermont banded together under the direction of John Lupien, a Canadian and former supervisor with the company. Under his guidance the employees became the owners of the Vermont Asbestos Group Inc. on March 12, 1975.

John Desmarais and S. Derrick, members of the Human Resources Group of the Mineral Economics Division of the Canada Department of Energy, Mines and Resources studied the employee-ownership experiment, talked with John Lupien and prepared a report that tells the VAG story.

Workers who only four years ago were faced with unemployment are not only still on the job but are also prospering. Within the first year of employee-ownership they produced a profit of one million

dollars, pollution control equipment was installed ahead of schedule, clean air standards were exceeded and there was sufficient money to increase wages and fringe benefits by more than 19 per cent.

Lupien told the two investigators that it wasn't easy raising the money and convincing the state it had a choice over the proposed closure; "I asked for the \$1.5 million guaranteed loan, and approached the governor with the argument that the state had a choice: either get people to work where they'll pay taxes and remain self-sufficient, that is take a chance on them, or pay first for unemployment, then welfare."

GAF Corporation announced it would close the mine because of the "excessive" costs of meeting federal anti-pollution requirements

The state eventually came up with the loan, while the employees themselves raised \$78,000 (accounting for 1,560 of 2,000 corporate shares), each purchasing from one to one hundred shares at \$50 a share in the joint business venture. A further \$22,000 was raised through the purchase of shares by friends, relatives, local retailers and the high school student council.

When the employees became the owners, Lupien says, some significant changes took place in the operation.

"There is one thing that means a lot to us here: the time the men put on the job is important. Ten minute coffee breaks used to go on for 20-25 minutes...We found that it was necessary to control the time. We were able to show the workers that time wasted costs the company profits."

He adds that men used to go to the store needing only a couple of bolts, but would instead ask for a dozen; now the men only ask for what they need: they also used to waste fuel but that too has changed in line with the company motto, "misuse means a loss of profit." There is now virtually no turnover at the mine, except for retirement, whereas when GAF owned it the turnover was about 38 per cent per year.

But as Lupien points out there are incentives that cut absenteeism, quitting and grumbling. Bonuses and dividends are given to show that substantial savings can be made by the workers, indeed, for every \$50 share, \$127 has already been paid out in dividends. Other benefits of worker ownership have been a much greater awareness of the prevailing corporate environment, resulting in a greater awareness of company costs, as well as less vandalism and more preven-

tive maintenance than under GAF management.

Even with worker ownership, however, the union remains alive and well with workers maintaining membership in the United Cement, Lime and Gypsum Workers' Union. Indeed, in the first year of the workers take-over, even though they received a substantial nineteen per cent wage offer — the highest pay deal ever offered — the workers still took a strike vote on whether to accept or reject it.

In its first year of operation under employee ownership, the mine showed a profit of more than a million dollars

To quote Lupien, "when they saw the profit and loss statement, which is made available to the workers on a quarterly basis, and the budget, they thought we had too much money and that some of it should be returned to the workers. It didn't take too long though, to show exactly what the planning was for 1976 and they soon realized that there was no more money in the kitty."

However, the employee take-over hasn't been without its problems. Lupien says that initially people thought that if they owned one share they could run the company. Now, there is an elected board of directors who are paid hourly and who are available for employee input. Costs of meeting the environmental requirements soared to a million and production costs continually increase.

At the time of Derrick and Desmarais' report, worker-shareholders at VAG, while not without some apprehensions, had at least managed to maintain their status as productive members of the

Pollution control equipment was installed ahead of schedule and clean air standards were exceeded

community — a sharp contrast with the situation prevailing three years earlier when each employee was a possible candidate for unemployment. In addition, the comparative openness of the decision-making process together with advice solicited from outside experts, has proved sufficient to bring about changes in labour's relationship with VAG management. Realizing the vital link between costs of production, profitability and employment, the labour force has become more self-restraining.

As the authors of the investigation emphasize, however, although the VAG experiment has so far been successful, such an undertaking could not necessarily be generated in every non-renewable resource-based town. In particular they point to the need for both a salable product and an effective corporate leadership, together with a willingness on the part of workers to contribute both time and money to the effort. Furthermore, they add that the continuity of benefits will ultimately depend on the resources at hand as well as on the ability of the enterprise to diversify its operations and maintain employment *within* the community.

In retrospect these words of caution appear well advised, for in recent months rising prosperity has also been associated with increasing dissension among the worker-owners. In particular, a number of workers at the mine have become concerned at what they see as their growing isolation from management. Problems have

also arisen over the appointment, earlier this year, of David Winer as company president. Mr. Winer, a staunch supporter of employee ownership who arrived in 1976 as a consultant after leaving the presidency of Infrared Industries of Waltham, Mass., was viewed by many workers as an outsider.

Following these dissatisfactions, at a stockholders' meeting held in April, miners replaced the existing board and voted to return the company to private ownership under the control of Howard Manosh, a local contractor. According to Mr. Manosh the key issue in the dispute was, "not employee ownership, but management and how well the company is run." Appeals from members of the board that guided the mine under worker ownership, and which pointed to its current success, apparently fell on deaf ears.

There can be little doubt that these developments have come as a severe disappointment to those who were looking to the Vermont experiment to demonstrate the longer term viability of employee ownership. They do not, however, fundamentally alter the conclusion reached by Desmarais and Derrick in their report: namely, the overriding need for the development of a variety of new and innovative forms of community-industry relations in towns heavily reliant on a single non-renewable resource for a significant proportion of their employment. As the authors of the report emphasize, the Vermont experiment is just one possible approach to this problem — an approach which, despite the present dissension, nevertheless helped turn a failing mine into a thriving business with a promising future. Indeed it is one measure of the experiment's success that it has created an enterprise that is once again attractive to outside private capital. [9]

Could fluorescent lighting be harmful to your health?

Glaring fluorescent lights and an overly bright office are being blamed for worker's nausea, headaches and eyestrain, and might be costing Canadian industry a heavy price in absenteeism, according to an article in *Perspective on Money*.

Writers Cherie Rogers and Frank Touby point out that while employees across the country have been grumbling about eyestrain and headaches, few employers have listened — until now. The authors say there is mounting evidence that improper lighting (which almost always results in an overly bright working environment) is taking its toll on workers' health and the employer's pocketbook.

Although they acknowledge no specific studies have been completed directly relating improper lighting to absenteeism or working discomfort they quote experts and doctors as saying, "a good case could be made to prove that a discernable percentage of an estimated 760 million working hours lost through absenteeism in Canada is directly related to the cause of glare."

But the problem doesn't stop there. Apparently scientists also say that ordinary light bulbs and fluorescents emit a "deprived spectrum of light," or in other words, a lack of ultraviolet rays found in ordinary sunlight. A few scientists are saying fluorescents may be directly related to bone disease, tooth decay, eye problems and emotional depression. The reason: lack of exposure to enough sunlight to produce

adequate amounts of Vitamin D, the vitamin that helps retain calcium in our bodies.

In another article, *Montreal Star* writer Kenneth Hertz indicates the human body responds physiologically to the different qualities and intensities of light: red light speeds up heart rate and respiration and produces a sense of excitement; blue or green light has a calming or depressing effect.

Hertz quotes Vancouver-based light activist Ralf Kelman as saying that intense outdoor lamps and fluorescents are moving farther and farther away from the natural solar spectrum and "their effect on our health has remained untested — just like many drugs."

Globe and Mail reporter David Lancashire writes that there are no Canadian studies under way that might link fluorescents and health. Ernest Wotton, a lighting engineer commissioned by the federal department of Health and Welfare to study the literature on lighting and health is quoted in the *Globe* as saying: "The truth is we just don't know how much ultra-violet is good for us, and how much is harmful." He concludes that more studies are needed.

So far, most of the studies pointing to the health problems resulting from fluorescent lighting have used animals, not humans for the tests. According to Lancashire, U.S. scientists report that fluorescent lighting causes mutations in the chromosomes of hamster cells which may result in cancer. Another U.S. researcher found

fluorescents shrank the hearts and sex organs of rats. As Wotton pointed out to the *Globe* reporter, none of the research adequately defines the human danger.

Dr. Richard Wurtman, a specialist in the effects of lighting says "new research is confirming the beneficial effects of long-wave ultraviolet light in making the active form of Vitamin D in the human skin. He goes on to say, "these wavelengths are completely absent from most artificial light sources," including the lights found in 98 per cent of schools and commercial buildings.

While the artificial light debate may seem murky, the Canadian and U.S. authorities reject claims that fluorescent lighting may be an indirect risk to health. Dr. James Stopps, acting director of the environmental and occupational health centre at the University of Toronto, told Lancashire he didn't think "many of these statements would stand the light of day if they were examined more closely." And a spokesman for the Canadian Medical Association, Douglas Greekie said, "There is no reason or stimulation to pursue the matter very actively."

While some scientists are speculating about the negative effects of artificial light, others, including the Canadian Medical Association are adopting what Rogers and Touby call a "wait and see" approach.

Even the lighting manufacturers, Westinghouse, Sylvania and General Electric — which account for the vast majority of the 26.5

million tubes sold in Canada in 1975 (value \$31 million) are cautious in their assessment of the ultra-violet issue. Bob Day, product manager, commercial and industrial marketing at Canadian General Electric told *Perspective on Money* "We haven't seen enough medical evidence yet to convince us there's a problem."

But the Duro-Test Corporation puts out Vita-Life lights that claim to have "special and unique painted glass which allows ultra-violet through."

GE product manager Day told Rogers and Touby that "Duro-Test tends to make claims related to health that we just don't make" and points out that GE has developed a fluorescent, "Chroma 50" that roughly simulates the natural spectrum of the sun.

The companies listening to employees grumble about health hazards of fluorescents will have to pay a hefty premium to install the "natural spectrum" lights. The new fluorescents sell for about

\$5.00 to \$8.00 while the old tubes have a \$1.25 price tag.

Since the ultra-violet issue is polarized, critics of fluorescents tend to argue about the more obvious issue of glare. According to Lancashire, lighting consultants say glare isn't the fluorescent tube's fault. It comes simply from too much light, poorly thought-out installation and unsuitable fixtures. Environment Canada's Dr. A.K. Biswas told the *Globe and Mail* that "there is little doubt that modern-day buildings have far more light than is necessary — in some cases 10 to 20 times too much."


Ernest Wotton argues that offices and schools use about double the illumination used in Europe and that many electric bills are double what they should be because the design is ineffective. John Ott, the film-maker and photo-biologist who developed the "Vita-Life," told reporter Hertz that employers should install plastic instead of glass in windows, and employees should wear protective glasses.

Rogers and Touby indicate that almost all lighting experts place the blame for glare squarely on builders who place a low priority on proper lighting.

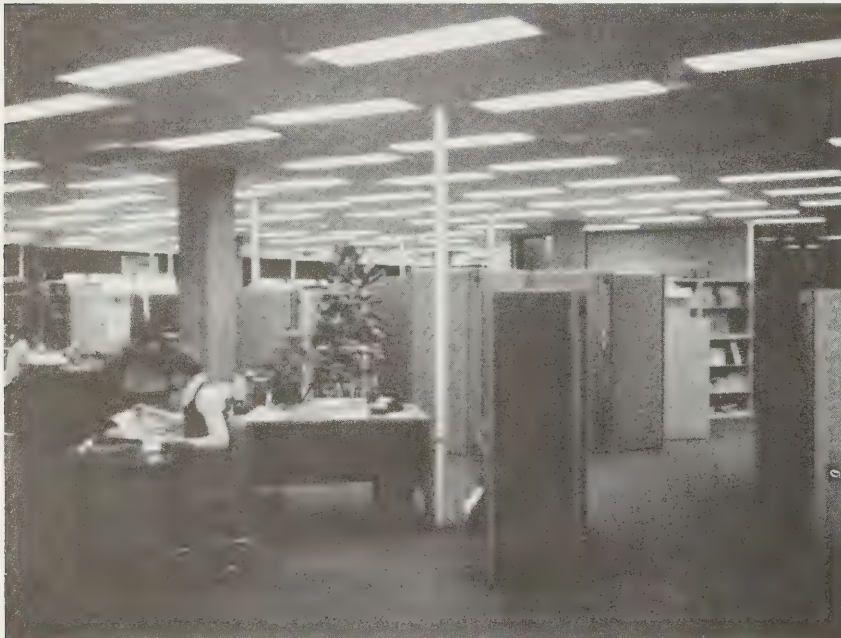
Hertz talked with film maker and photo-biologist John Ott, who helped develop the Vita-Life and he says the new fluorescents aren't enough — employers should install plastic instead of glass in windows, and employees should wear protective glasses.

Rogers and Touby indicate that while there is no consensus concerning the ultra-violet argument, there is more agreement about the more practical and pervasive problem of glare. They say almost all lighting experts place the blame squarely on builders who place a low priority on proper lighting, and on management who want to save on costs and therefore use the standard, economical light source configurations.

Experts warn that businessmen who are planning to remodel existing premises or move to a new location should be far more finicky in their choice of lighting. They should question what type of lighting they require rather than accepting the standard row-on-row arrangement planned without thought to tasks performed beneath them, say Rogers and Touby.

"Light is a mysterious thing," noted Luke Thorington, vice-president of the Duro-Test Corporation, in the *Globe and Mail* article. The same natural light that fades a swim suit will burn your skin. He asks a disturbing question: What would happen to the world's plant and animal life if the sun were replaced by fluorescent lights. And would the same thing happen to people? 

P.B.



Effect on health untested

Occupational health: the poor relation, Part I

by Joan Brown

Commenting on the sharp contrast between the substantial attention given to work accidents and the low priority accorded to occupational health, the Comité d'étude sur la salubrité dans l'industrie de l'amiante (The Beaudry Report) suggested that part of the reason was the subtle, slow and hidden nature of occupational illnesses. They are less sudden and less spectacular than work accidents. They rarely lead to immediate death, and do not expose anyone in the workplace to the sight of blood.

This lack of a sense of urgency about occupational health issues has both resulted from and contributed to the low priority given to the question by governments as well as by many of the departments and agencies responsible for safeguarding the health and safety of workers. Ignorance of the extent of the problem produced neglect, and neglect in turn perpetuated the state of ignorance.

Given the plethora of agencies involved — workers' compensation boards, departments of labour, mines and health, to name only the main authorities — it might reasonably have been expected that between them they could have achieved an adequate capability to deal with the identification and prevention of occupational health hazards. An examination of the reports of commissions of inquiry and the annual reports of these departments and agencies prior to any reorganization of health and safety functions (1972 in Saskatchewan, 1975 Alberta,

1976-77 Manitoba, Ontario and New Brunswick) shows that this has not been achieved.

With few exceptions, workers' compensation boards gave their top priority to accident prevention. This included not only the boards whose preventive functions were purely educational, but also the majority of the seven boards which had regulatory functions. While some of the boards did develop co-operative arrangements with health departments, the British Columbia board stands out as the only one to establish its own occupational health capability and to pursue a substantial program in this area over a number of years.

Part of the reason for the low priority accorded to occupational health is the subtle, slow and hidden nature of occupational illnesses

In the same period, four of the provincial departments of labour had regulatory authority for occupational health and safety (Quebec, Nova Scotia, Ontario, New Brunswick). Like the boards, their priority was accident prevention. Occupational health received secondary attention, and programs were very limited. The role of five other provincial labour departments was restricted to a narrow (though important) range of technical services in relation to buildings and installations such as boilers, elevators, electrical, gas and oil systems. The tenth, British Columbia, had some health and

safety responsibilities, and while its main attention was given to questions of heating, lighting, washrooms and other basic facilities, its reports do show an awareness of occupational health issues such as noise and toxic chemicals.

At the federal level, Labour Canada, which is both a workers' compensation board and a regulatory agency under the Canada Labour Safety Code, started out with the customary bias toward accident prevention. For occupational health matters it relied heavily on Health and Welfare Canada. However, in 1974, Labour Canada established a hazard evaluation section, and since then has been developing its own expertise in occupational health.

The departments of mines (or natural resources) have generally made a better showing than either the WCBs or the labour departments and, although they too emphasized accident prevention, the importance of occupational health was at least acknowledged. However, as far as can be judged from their annual reports (many of which are models of non-information on health and safety), they frequently relied on other agencies, rather than their own resources, in dealing with occupational health matters.

In the past, it was probably assumed that the failure of most of the regulatory agencies to develop their own expertise in occupational health was offset by the availability of industrial hygiene or occupational health

divisions in departments of health. However, once the spotlight was turned on to these departments, very severe limitations were revealed.

To begin with, the health departments of Prince Edward Island, the Yukon and Northwest Territories have no specialized activities in occupational health other than those related to radiation-emitting devices. New Brunswick's health department lists the control of health hazards at work as part of its public health responsibilities, but in fact, at least as of late 1977 it had no specialist staff for occupational health and had developed no special programs.

Occupational illnesses are less sudden and less spectacular than work accidents

Newfoundland appointed a director of occupational health (its sole staff) only in 1975, though to give the health department its due, it had been endeavouring to convince the government of the necessity for an occupational health division for several years prior to that. It was also using its public health powers to investigate occupational health problems and calling Health and Welfare Canada to assist from time to time. In Nova Scotia the public health department's division on occupational health was established in 1974 after a three-year study financed through a national health grant, while in British Columbia the department concentrated mainly on radiation protection and the provision of an occupational medical service for government employees.

The existence of an occupational health division, even a long-standing one, does not necessarily mean that it has been given adequate resources to do its job.

Indeed, the contrary has usually been the case. Preventive services of all kinds rate a low priority in health budgets. Statistics Canada figures on provincial expenditure from 1970-73 show that expenditure on preventive health services as a proportion of all provincial health expenditure averaged between 2.7 per cent and 3.7 per cent. In 1972-73, taken province by province, it varied from a low of 0.5 per cent to a high of 7.2 per cent. Since that time some provinces have upgraded the position of preventive services, but sickness-oriented services still dominate the budgets. Within this under-financed activity, occupational health has tended to be a poor relation. This has been evidenced in inadequate budget allocations, poor staffing levels, and a low level of priority in departmental development. The 1975 Alberta industrial health and safety commission (the Gale Report), writing of one of the best of the provincial occupational health divisions, expressed concern "with the present apparent lack of overall priority, direction and support given to the division in this very large department as well as with the obviously inadequate budget the division has been assigned."

In Quebec the occupational health service has led a rather gypsy existence, attached successively to the ministère de la santé, the service de protection de l'environnement, and the ministère des affaires sociales; and to complicate matters, the transfer of services between these departments has not always been complete. Indeed, the Beaudry Report described the service provided under the first two authorities as "negligible," due to lack of resources. Moreover, according to Beaudry, the transfer of responsibility to the department of community health in affaires sociales did not greatly improve matters.

Occupational health has tended to be a poor relation

Occupational health was only one of many preventive tasks given to community health, and it was not given high priority. No personnel had been specifically designated for the program, and there was an absence of support and professional expertise in occupational health in the ministère des affaires sociales in Quebec City. The Ontario Royal Commission on the Health and Safety of Workers in Mines (the Ham Report) was also highly critical of the level of priority given to the Ontario occupational health protection branch in the ministry of health. The branch (the report said) "has conducted critically important studies with inadequate resources and has been forced to work in a crisis-to-crisis atmosphere." Moreover, though criticisms as blunt as these are not available on the other provinces or on Health and Welfare Canada, the evidence of their annual reports suggests that their occupational health divisions suffered from the same low priority ratings.

The low status of occupational health within the health delivery system is also reflected in the medical and health education system. Even if departments and boards had accepted the need for significant staff increases, the severe shortage of personnel trained for occupational health would still have presented a serious obstacle to expansion. Qualified staff of all kinds, industrial hygienists, occupational health physicians and nurses, audiometrists and others are in chronically short supply, difficult to recruit and difficult to replace.

Some of the provincial occupational health agencies, notably the Alberta division of industrial health

services and the British Columbia workers' compensation board have been trying to draw attention to this problem for many years. The Alberta division's 1970 annual report pointed out that the only formal attempt to satisfy the needs of industry for occupational health physicians was "through a total of 12 hours of instruction annually to second and final year medical students at the University of Alberta." It was also concerned about the shortage of occupational health nurses and worked to establish the first Canadian certificate course for such staff in 1974.

The British Columbia board drew attention in its 1973 report to the fact that "the occupational health field faces a growing national shortage of qualified industrial hygienists, and no educational facilities exist in Canada where these specialists may be trained." It presented a brief to government proposing the establishment of an occupational health training centre. At the same time it provided training for the audiometric technicians needed for its noise control program.

Jim Lotz (writing in the April 1976 *Science Forum*) reported that the Nova Scotia occupational health division was concerned that Dalhousie University was providing only six hours of instruction in occupational health to its medical students.

Even where training does exist, as it does for audiometry, the number of qualified persons produced is still not keeping up with the increase in demand now that noise-caused deafness has been recognized as a serious problem in industry. In Quebec, in 1974 for example, a new regulation required employers in industrial establishments to ensure annual hearing tests for employees exposed to noise. L'association de sécurité des industriels forestiers

The severe shortage of personnel trained for occupational health has presented a serious obstacle to expansion

du Québec inc. (an employer safety association) protested the rule, not on principle, but because the shortage and maldistribution of specialist staff and facilities made it impossible to carry out (annual report 1975).

In spite of these and other expressions of serious concern, Canada still has no recognized specialties for occupational health personnel, and with the exception of some new programs for occupational health nurses and audiometric training, also has no training facilities. Health and Welfare Canada, reporting these facts in 1977 (in *Occupational Health in Canada — Current Status*) said that "those who practise in this field generally have learned from experience; a relatively small number have received training or specialist credentials in the United States or the United Kingdom."

The effectiveness of the occupational health divisions has been further handicapped by weak or non-existent legislative authority. Usually divisions have had to await requests for their services and/or have lacked the power to enforce healthy working conditions.

An early attempt by the Nova Scotia department of public health to develop an occupational health division, including a modern laboratory, failed because, according to its 1970 annual report, "little use was made of the division by industry, and the laboratory was closed and the personnel went to other divisions." In 1975, a year after the division had been re-established, it complained that its lack of any authoritative legislation or formalized procedures forced it

"to continue operating as in previous years on the basis of invitations from industry or occupational groups; formal requests for assistance from regulatory groups in other government agencies." (1975 annual report)

In Quebec, the Beaudry inquiry found that the division of community health existed only by regulation, and there was no law to designate the functions and authority of the occupational health service. The extent of the service depended on internal departmental decisions and on referrals from other departments. When it acted, it had only limited power to command the co-operation of industry.

The occupational health field faces a growing national shortage of qualified industrial hygienists, and no educational facilities exist in Canada where these specialists may be trained

The Ham Commission found the Ontario occupational health protection branch had similar difficulties. It had no defined access to workplaces in mines under the Mining Act, and therefore "had no basis for taking independent initiative on problems of health and safety arising there." Its access to other industrial establishments relied on referrals from the Ministry of Labour under the Industrial Safety Act. The health ministry did endeavour to iron out some of these problems by developing an accord with the other ministries which recognized the Ministry of Health as having an overall authority on occupational health matters. However, in spite of this the Ham Commission identified jurisdictional problems and the "undesirably restricted role" of the occupational health protection branch as one of the matters



"To make the bait as natural as possible, I usually coat it with industrial waste."

requiring reform if workers' health was to be adequately protected. The unions also found the Ontario system frustrating. While in many provinces unions could seek assistance direct from the health department, in Ontario problems had to be referred through the departments of labour or natural resources in what the Ontario Federation of Labour described in 1975 as a "cumbersome and lengthy" procedure.

The health departments of Saskatchewan (to 1972), Manitoba, Newfoundland, as well as Health and Welfare Canada operated largely on a consultative basis for other departments. Alberta, after struggling with "the problems and difficulties experienced in persuading individual industries to take action in respect of proven health hazards" (1968 annual report), had its position improved in 1972 through public health regulations. Even so, it was handicapped by insufficient inspectors for follow-up.

A service which is based on referrals depends a good deal on the

ability of the referring agencies to spot problems; however, the orientation of many of the regulatory agencies toward accident prevention and their relative lack of in-house expertise in occupational health, tended to reduce their value as referral agencies. Robert Sass, director of the Saskatchewan occupational health and safety

The numbers of qualified persons produced are not keeping up with the increase in demand

division, pointed out to a CLC conference in 1975 (reported in *Canadian Labour*, December 1975) that in his province prior to 1972 the inspectors were neither trained nor authorized to assess or evaluate health risks not specifically covered in the regulations. The Gale report also expressed doubt about the ability of WCB inspectors in Alberta to recognize newly emerging health hazards.

Beaudry heard evidence in Quebec that when an inspector from the ministère du travail et de la main-

d'oeuvre made a "personal observation" concerning the possible existence of a health hazard, he could make a referral to the department responsible for occupational health. However, Beaudry noted the lack of technical resources and departmental expertise in occupational health in the labour department, and was not surprised to find that very few referrals had been made in the previous decade.

In most provinces, unions and industry could also refer problems so that between the various types of referring agencies there was no shortage of problems for the divisions to deal with. However, they were too frequently placed in the position of reacting to specific problems in individual plants or industry groups and, because of their inadequate resources, could not easily develop long-term preventive programs.

At the federal level, Health and Welfare Canada's programs also suffered from being referral-based and under-financed. Where the occupational health service had direct authority (radiation protection, aerospace medicine, public service health), fairly well developed programs emerged over a period of years. In other areas it has had to operate in a more hit and miss fashion — responding to a wide variety of requests from provincial and territorial governments, undertaking whatever research its limited funds would allow, involving its staff in committees where its expertise might be of use, developing some guidelines for exposure standards, providing international liaison, and so on. Much important work has been done, but the departmental reports give no impression of a coherent well-planned program, and the department did not develop the kind of leadership role which was badly needed in Canada.

The occupational health programs provided by the health departments and some of the other regulatory agencies can be broadly divided into four categories: programs of primary prevention, programs aimed at early diagnosis, retrospective studies, and special programs for employees of government. Only to a limited extent did these programs represent an adequate capability to deal with the identification and prevention of occupational health hazards.

Occupational health divisions have been handicapped by weak or non-existent legislative authority...and have lacked the power to enforce healthy working conditions

Public service health programs did have a preventive element in that they sought to correct adverse conditions in the workplace, but in the main they were (and are) treatment-oriented, emphasizing medical examinations, first-aid and counselling for alcoholism and other personal problems likely to have an adverse effect on work.

The retrospective programs examine the mortality and morbidity rates of certain occupational groups, and try to identify any occupational cause and how this may be overcome. Studies of this kind were aptly and rightly stigmatized by a speaker from the floor of a 1976 occupational health and safety conference as "counting the number of graves in the graveyard" and by others as being more concerned with establishing criteria for workers' compensation than with preventive activity. Certainly, some of the studies have been strongly linked with the need to determine the scope for compensation. Epidemiological studies by nature are based on something which has already happened, and thus are not in the

category of front-line prevention. However, they do have an important part to play in preventing occupational illness in the future.

Typical early diagnosis programs are those which provide pre-employment and periodic medical examinations for workers in industries recognized as hazardous. For the most part they can be compared to medical examinations in the army to ensure the soldier is fit for duty in the battle zone. They ensure he goes into battle healthy and whole, but they give no guarantee that he will come out in the same condition. They cannot prevent occupational illness (except by excluding from work those regarded as particularly susceptible), but aim to reduce its severity by catching the disease at the earliest possible stage. They also serve to create an awareness of certain hazards and the need to institute control.

Even for what they claim to do they are not foolproof. The Science Council of Canada, summarizing its studies of six hazards (asbestos, lead, radiation, mercury, oxides of nitrogen and vinyl chloride) said in its report *Policies and Poisons*:

Identification of populations exposed to hazards and thereby at risk has been incomplete. Monitoring the physiological indicators of deleterious effects has been generally neglected. Systematic follow-up of persons previously exposed is lacking.

Discussing primary preventive programs in its 1968 annual report, the Alberta Division of Industrial Health Services suggested that it ought to be possible "to eliminate anticipated hazards by action at the planning stage rather than attempt to cope with them by near panic activity when the hazard is established and the health of the worker has been seriously

The capacity of the occupational health programs to anticipate hazards is still very limited, and the progress in establishing standards for hazard exposure has been slow

affected." In fact, the capacity of the occupational health programs to anticipate hazards is still very limited, and progress in establishing standards for hazard exposure has been slow. While some of the occupational health divisions have been trying to develop systematic programs on certain hazards such as noise, lead, asbestos, grain dust, mercury and silica dust, much of the primary preventive activity is still operated on a plant-by-plant basis, as and when hazards are identified. This bush fire approach, while essential for the workers immediately at risk, has inevitably diverted resources which might otherwise have been devoted to hazard anticipation.

This very brief summary of the programs of the occupational health divisions outlines a great deal of hard and often effective work, but taken together these programs did not add up to a coherent, consistent and aggressive attack on the problems of occupational health in Canada. With the resources and status they were given and by running as fast as they could, the best the occupational health divisions could hope to do was to make some inroad into the incidence of known hazards. [g]

Joan C. Brown, a social policy analyst, is the author of How Much Choice? Retirement Policies in Canada and A Hit and Miss Affair: Policies for Disabled People in Canada, published by the Canadian Council on Social Development. She is also a former Secretary-General of the Australian Council of Social Service.

Gérard Docquier: a profile

by Jack Williams

Gérard Docquier is a name little known on the national labour scene, but one that is quickly coming to the fore. As national director of Canada's largest industrial union, the 185,000-member United Steelworkers, and a general vice-president of the Canadian Labour Congress, he is a man to be reckoned with.

Elected to that position early last year he succeeded William Mahoney who had come to be regarded as one of the country's outstanding labour leaders.

Docquier was born in Gosnes, Belgium, in 1929 and came to Canada at the age of 21. Trained as a white-collar worker, he spent the first 18 months in this country in a fruitless search for a job. Finally he found employment as a labourer in a St. Jean, Quebec, factory, and it was there that he came in contact with the United Steelworkers.

It was no casual relationship. There was discontent among the workers and a suspicion that some of the union officers were in collusion with management. There was a move to change unions. Docquier thought then, as he does now, that this is a futile course, serving mainly to divide the workers. He found himself one of the leaders of the faction that favoured cleaning up the situation within the local. He was chosen to look into the union's finances and within a year of becoming a member was treasurer of the local. Two years later he became president. He was soon involved in union affairs in the area and so

attracted the attention of Steelworker officials. In 1959 he was made a staff representative and in 1965 became assistant to the district director. In that position he earned a reputation as a highly capable administrator and gained broad experience that will no doubt be useful in his present office.

Docquier is a big man physically, but with a warm personality that places him far from the domineering type. His conversation is a blend of homespun philosophy with an innate political sense, something essential for office in a union as highly politicized as the Steelworkers. He speaks with deliberation and does not mind hesitating to think out the answer to a question. What results is something more than a collection of glib phrases.

The tasks he faces are considerable. About 15 per cent of the union's membership is experiencing layoffs. The union and Docquier have been highly vocal about the situation in Sudbury; but it is perhaps typical of him that he is equally concerned about the plight of workers in smaller layoffs which attract little public attention. He cites Peterborough, Ont., as an example.

But as far as the basic steel

"Too many workers are too concerned about keeping their jobs to worry about whether they really like them"

industry as a whole is concerned he is optimistic:

"Our steel industry is in good shape, and this is a very rare exception in the western world. If you want to go to the United States you will find it is the steel industry that is hardest hit. In most European countries — Sweden is an exception — conditions are terrible. It's the same in Japan. But not in Canada."

He attributes this to several reasons. There continues to be a good market for steel in the automobile industry, and, despite recession conditions, there is growth in other areas. He places foremost emphasis, however, on the industry's care in maintaining plants at an efficient level.

"Money has been invested to keep our industry at a level of production with technology second to none," he says. "I think we can be compared with the Japanese and the Germans. And on top of that, Canadian steelworkers are the best anywhere."

The one exception he makes in his comments about facilities is the Sydney, N.S., steel mill. This he attributes to previous private ownership allowing the plant to run down, despite favourable conditions in location and work force.

Conditions prevailing in the steel industry will inevitably have an effect on collective bargaining policies in the post-control period, Docquier says, adding a conviction



Docquier...a warm personality keenly sensitive to the language problem

that Canadian workers will be reasonable in their demands:

"Workers are not inclined to put themselves out of work. They don't want to put a company out of business because goods can be produced cheaper abroad. That is not true. The Japanese have production costs that are not far away from ours. The Belgians, the Germans and the French are paying as good wages as we do.

"But don't forget the Anti-Inflation Board did not control prices, though it exercised full control over wages. Workers who found themselves locked in by AIB controls and forced to sign bad contracts will of course try to bridge the gap. In the steel industry which is in such good shape our demands may seem high. But, I say again, we are not going to be unreasonable."

In the United States the United Steelworkers have given high priority to the establishment of a degree of lifetime job security. In Canada no firm decision has been reached on such policies.

Docquier explains:

"Our people are interested, particularly because of the heavy layoffs; but it is the members who will decide our bargaining objectives. We are pushing into new areas. There are many areas in which we still have tremendous progress to make."

One of these is industrial democracy, which Docquier regards as one of his preoccupations.

"Most of the corporation people who talk about the quality of life at work are really concerned about such matters as declining profits,

productivity or absenteeism. They are not primarily concerned with the worker. I am. If productivity is raised and if absenteeism is cured because we are able to establish a better quality of life, so much the better. But what I'm really worried about is the people who have to sweat eight hours a day in a foundry or go down 6,000 feet underground to make a living.

"It is not pleasant to do these jobs. I spent a year in a plant pushing a wheelbarrow full of tar. I did it because I needed the money, not because I liked it. I didn't like it a bit. And the man who followed me didn't like it either. And the man who replaced him doesn't like it any more than we did.

"The first need is jobs. The next is organization and bargaining. Too many workers are too concerned about keeping their jobs to worry about whether they really like them. But there can be some satisfaction that doesn't come from the job, but from what the job enables the worker to do off the job."

Docquier says he has noticed increased attention directed by governments toward improving the quality of working life:

"I am not complaining, I am very pleased that they are showing this interest. But we have a tendency, and it exists in unions as well as in governments and other organizations, to operate from the top down. This may provide some relief for a time; but it is not right to think you can simply tell people on the shop floor what is good for them."

He also has opinions on the extension of the principles of industrial democracy from the shop floor to higher levels of decision making. He supports, in general terms, the tripartism suggestions advanced by the

Canadian Labour Congress at its 1976 convention, though he suggests the policy is in need of some clarification. He points out that various forms of tripartism are operative in Europe with some degree of success and suggests the Swedish system comes closest to what is needed in Canada.

"In Canada we have our own system of union democracy," Docquier says. "It is not, of course, accessible to the same number of workers as in Europe simply because we do not have as many people in unions. In Sweden about 95 per cent of the people are organized. In Belgium the steel industry is about 85 or 90 per cent organized. In Germany it is a very high percentage; and while in France it is about the same as here, they have a much stronger political voice than we do.

"We are practising industrial democracy at the plant level. Bargaining is the active form of industrial democracy. When we push for more rights for workers to deal with their safety and health problems we are pushing for more industrial democracy. Governments will have to pass legislation to strengthen that kind of power in the plant, and management will have to accept it.

"The reaction of our people toward industrial democracy at a higher level is very simple. They now control bargaining which deals with their day-to-day problems, their income and job security, their health and so on. They are in close touch with these problems, but they fear that people who are far away from them will decide these matters. That is the most serious obstacle to a higher level of industrial democracy in Canada. Rightly or wrongly — and more rightly than wrongly — workers believe governments are more

inclined to protect the interests of corporations than they are to protect the interests of the workers.

"I think we have to try to maintain the kind of industrial democracy we now have at the plant level and at the same time gain more say at higher levels of decision making."

"...we have to try to maintain the kind of industrial democracy we now have at the plant level and...gain more say at higher levels of decision making"

In a recent statement Docquier put the objective in these words:

"It is not that we want to take the entire responsibility for economic decisions that affect us. What we want is merely to be heard. We need to have some control or some say over our future; not perhaps in the way of the presently popular concept of workers' control, but an input so that we will not have to face more Sudburys in the future."*

But Docquier's concerns about the labour movement extend beyond the economic sphere. During his lengthy residence in Quebec, before moving to the Steelworkers' national headquarters in Toronto last year, he was involved in a multitude of community activities. Among them: founding president of the St. Jean Housing Co-operative and Credit Union; a founding director of the St. Jean section of the Canadian Mental Health Association, and a member of the Town Planning Committee. He directed the expansion of his

*Inco announced in 1977 that it would be laying off 2,200 employees in Sudbury this year. In February 1978, however, the company announced that it would be laying off only 1,661 persons.

union's educational activities in Quebec and took leadership positions on labour committees concerned with housing, health and safety.

As the father of four children he has a very personal interest in education, and he has some firm views:

"I think there is too much specialization too early in our education system today. We need people with a very good general educational base in order to prepare them for job changes. Most of the young people of today will not be in the same job all their lives. We should try to ease the transitions they are going to face.

"The union has a responsibility to make its views known. We have experience in facing these problems. Big announcements from governments about retraining programs are all very well; but when the purpose of the government and the programs is just to keep people busy then that is wrong. We have members in Sydney who have been retrained for four, five and six jobs; but there are no jobs. They are sick and tired of retraining. If training is just some kind of social welfare then I totally disagree with it."

The matter of Quebec and Confederation is naturally of close personal interest to Docquier. The United Steelworkers' Union has officially taken a position recognizing the right of Quebec people to determine their own future, while at the same time expressing the union's ardent hope that Quebec will remain part of Canada.

In a presentation on behalf of the union to the Task Force on Canadian Unity Docquier urged that discussions be moved from a negative confrontation to a positive quest for national purpose, explaining:

"Confederation is not an end, but a means to an end — or at least it should be. 'National unity' is a meaningless platitude if it is not meant to accomplish something....

"We cannot simply tell people in Quebec that they cannot do better on their own. They have to be shown that we can all do better together."

His own experience has made him keenly sensitive to the language problem.

"When I first went to work in a plant in Quebec I asked for a copy of the collective agreement," he says. "It was in English, no French at all. Yet out of 250 employees only one was English. We had to process everything in English. Even our union bargaining was in English. We had to wait ten years for a change. That is why we had a hard time and some nationalistic groups had success against international unions."

"Confederation is not an end, but a means to an end... 'National unity' is a meaningless platitude if it is not meant to accomplish something..."

"To be unfairly treated by a minority of dominating English has not helped the situation. Some English people reacted quickly and adjusted; but some never will, and some will never try. Here you have six million people in one precise area, one province, with their own language and their own culture. Latins are different from Anglo-Saxons, even though Quebecers are North Americans. The Anglo-Saxon way of doing things is not necessarily the way of the Quebec people."

"The language, the culture and the ability of Quebecers to do things

their own way are the major reasons for this upsurge of independence, and it is particularly dominant among the young people."

Docquier has his differences with the Parti Quebecois, apart from the fundamental disagreement on national unity. Politically Docquier supports the New Democratic Party. He worked as an election organizer for the party in the 1960s and in 1968 ran unsuccessfully as NDP candidate in his own riding. He regards the terms of Bill 101, Quebec's language bill, as too restrictive, but he attributes this to the delays and frustrations experienced by Francophones.

"The French people were fearful of losing ground as far as their language was concerned, and a strong law was needed," he explains. "I believe that in five or six years people in Quebec will ask, not that English be made the official language, but that there be more and better English courses. Quebecers want to be bilingual, they don't want to live in a ghetto."

He cites the case of his native Belgium and its language problems. In a visit to the Flemish part of the country last year he found international corporations quite prepared to function entirely in the Flemish language.

"It is no different for companies that have plants there to adopt the language and recognize the law of the country than it is for plants in Quebec," he says. "Why is it that here it is such a problem. I don't understand."

But Gérard Docquier remains an optimist. Is it too late as far as Quebec is concerned? "It is never too late," he says. [G]

Jack Williams is a former director of public relations for the Canadian Labour Congress.



Firm views on education

Some aspects of labour relations in Quebec's construction industry

Two major elements distinguish labour relations in the Quebec construction industry from those in other jurisdictions in North America: industry-wide bargaining and government intervention. Collective agreements are applied to the entire industry through orders-in-council, with a government agency (Office de la Construction du Québec, or OCQ) doing the applying.

In *Labour Relations in the Quebec Construction Industry (Part 1: The System of Labour Relations)*, a study prepared for the Economic Council of Canada by **Gerard Hebert**, a professor at the School of Industrial Relations at the University of Montreal, the benefits and disadvantages of this structure are discussed in exhaustive detail. The history of labour relations in the Quebec construction industry since 1935 has often been turbulent, involving jurisdictional disputes which sometimes resulted in violence, as well as the usual confrontations over working conditions. Professor Hebert is unstinting in his detailed description of the growth of the present system, covering 172 pages in his study.

But he makes his major point at the beginning: "All the evidence indicates that the Quebec construction industry is caught up in a gradual movement toward centralization, with government intervention becoming increasingly frequent and far-reaching. In some

respects, the construction industry seems in danger of falling, as far as labour relations are concerned, under permanent trusteeship in the near future."

Would that be for the benefit of the construction workers? Hebert leaves the answer to later studies (Parts II and III). Meanwhile, he outlines these points.

Since the Cliche Commission reported, the law has required a secret ballot for all important union decisions (election of directors, dues, collective agreements, strikes), the right to dissent without reprisal, and the right of access to information on the union's financial status.

"...the construction industry seems in danger of falling, as far as labour relations are concerned, under permanent trusteeship in the near future"

An employee has freedom to vote by secret ballot for the union of his choice, the vote being organized by the OCQ. The period of recruiting (or raiding) is limited to one month, and this recruiting is banned from the work site.

Since 1973, a representative association has engaged in collective bargaining; this association is one whose jurisdiction covered the entire province for all trades and

occupations in the construction industry. The association, which represents a majority of construction workers, is certified by the OCQ. As far as the law is concerned, the individual trade unions disappear, becoming only components of the province-wide association.

The employers are similarly organized in a single management association "that is compulsory and charged with carrying out labour relations and bargaining."

The Quebec Federation of Labour unions, having the largest membership of any group, form a majority in practice.

If, following collective bargaining negotiations, an agreement between the employees' and employers' associations is reached, well and good. But "if the parties cannot reach agreement...the matter is automatically submitted to the (OCQ) and...its decision is final. The tendency has been to let matters go to the OCQ for decision. Bargainers on both sides of the table can then tell their membership the government, not they, is to blame for the result.

The purpose has been to ensure stability in the construction industry. But as Hebert points out, under the present system "the parties' greatest incentive for making the necessary concessions to reach agreement during negotiations is removed; this in turn

invites increasingly frequent and extensive government intervention." Everything is covered: wages, jurisdiction, vacations, pensions, safety, apprenticeship.

The system has brought benefits. It has removed regional disparities to a considerable degree, so that workers in the lowest-paid regions are not far below those in the highest paid, which means the Montreal region. For some time now, it has ended the violence attending jurisdictional disputes. Yet there are disadvantages.

"In practice," says Hebert, "the principle of majority rule gives all power to one central labour body. This poses a serious problem with respect to freedom of association and the free choice of one's union. Once the membership vote is over, the minority unions have only the right of speech as do any other organizations, even those without links to the industry; their power is limited to persuasion only.

"Some even maintain that these other groups should disappear in the same way as after a union certification vote in a shop. On the other hand, it is difficult to defend a union monopoly over the entire province and construction industry; it does not sufficiently respect

"giving all power to one central labour body...poses a serious problem with respect to freedom of association and the free choice of one's union"

the free choice of a large number of workers and the variety of options of different groups in different areas.

"Of course, union pluralism had brought on a series of successive impasses. This problem was solved by creating another problem, and it is hard to say whether the latter is more serious than the former."

How much stability has industry-wide bargaining brought? Professor Hebert compares the strike picture in Quebec with Ontario's. From 1935 to 1960, there were fewer strikes in Quebec than in Ontario, and much less time lost to Quebec workers. In Ontario, "the construction industry continually experienced losses in working days three, four, or five times greater than those in Quebec." Yet Ontario had only 50 per cent more population, and 70 per cent more construction than Quebec.

"Since 1970, the proportions have completely reversed. The total number of man-days lost is now greater in Quebec than in Ontario. The number of disputes remains less in Quebec, but the number of workers involved in each is so large that the total losses are greater.... In 1974, the cost-of-living battle caused the loss of over 500,000 working days affecting close to 100,000 workers."

The new structure "has resulted in more stoppages of an infinitely more serious nature than during the 35 years of the preceding system. Given the social climate which is more favorable for protest, the very system...with its high degree of centralization and very rigid structure, is perhaps not unrelated to the repetition of major disputes practically every year since 1970."

In other words, a global solution invites a global disaster.

Still, no system is forever. It may be that the present structure will be modified. There could develop a return to bargaining by trades in some fields, while retaining multi-trade bargaining in others. But province-wide bargaining is likely to continue.

SCOOPS

by Doug Sneyd



"In the area of bargaining, despite the divisive forces that are ever-present," Hebert notes, "multi-trade province-wide bargaining appears to be established for a long time to come, even though it still looks somewhat fragile. One central labour body, the QFL-Construction, has acquired enough representative power to expel its rivals from the bargaining table. It carried off single-handedly the 1976 negotiations.

"At the same time, however, internal division did reappear. Is this the result of a more democratic leadership at the head of the Building Trades Council? The different building and construction trades, some even more than others, have such opposite characteristics and divergent interests that unity is continuously endangered.

The efficiency sought through centralization and government intervention has reduced participation by rank-and-file workers

"Highly specialized tradesmen, like the elevator mechanics, will always have a better advantage in going their own way; to date, their integration into the system has been more apparent than real. The so-called mechanical trades will also be tempted by the argument that they could gain more from separate bargaining.

"A plausible hypothesis would be that of bargaining by groups of trades, or even by trades. But there are also common interests: social benefits, union security, increased bargaining power, and greater con-

The new structure "has resulted in more stoppages of an infinitely more serious nature than during the 35 years of the preceding system"

tinuity of employment because repeated trade-by-trade strikes are avoided.

"Tradition and the law add their weight to the advantages of centralization. They may be tempered to meet the divergence of interests in each trade by a two-tier bargaining with a central table for the common problems and sector tables for each trade or group of trades."


Where social concerns are involved, there is no doubt that the centralized system has advantages. The pension plan in the Quebec construction industry, centrally administered, has already accumulated a very large sum. Such a plan, Hebert points out, "could never be founded on the ups and downs of fragmented collective bargaining and the whims and moods of the contracting parties." With the OCQ collecting premiums from employees and employers, and the plan administered on a province-wide, multi-trade basis, it becomes a workable pension program.

Yet the administration of the construction industry has become a legislative maze. The government agency passes decrees, which have the force of law, to settle disputes. "Since 1968, the National Assembly of Quebec has passed 19 Acts — an average of more than two a year — directly affecting labour relations in the

construction industry... As for the orders in council, there are over 100 of them, minutely regulating working conditions, work permits, the scope of the Act, the vocational qualification of employees and contractors, the union membership vote, safety on construction sites, levy, and various other aspects. Obviously, some of these orders are no longer in force, but at least 40 still remain in force."

This is government intervention with a vengeance. And there have also been "the various interventions during the bargaining rounds. Since the establishment of province-wide bargaining in 1970, no round of talks has ended in the normal signature of a collective agreement by the parties, except perhaps in 1976."

Professor Hebert defines the dilemma succinctly: efficiency or participation. The efficiency sought through centralization and government intervention has reduced participation by rank-and-file workers. Collective bargaining has become a remote process. Hebert doesn't see an easy solution: "It appears that one must choose between an efficient system with minute regulation and omnipresent enforcement, and a system where groups and individuals truly have an active role to play but where they must accept disparities and a fairly high degree of inefficiency. It does not seem possible to have both advantages at the same time."

Perhaps the two-tier system of bargaining, suggested earlier by Professor Hebert, would be a reasonable compromise. 

Ben Malkin

Some views on affirmative-action programs

"Affirmative-action programs for minorities and women in Canada" — a panel discussion at McMaster University, Hamilton, on January 31 — shed light on the complexities of a human rights issue that is a ticking time bomb in the country's plants and offices. Little understood now, the campaign to do away with employment and pay discrimination against women and minority groups is gaining momentum, spurred by civil liberties and women's rights organizations, by some labour leaders and politicians.

The four panelists — Ms. Rita Cadieux, deputy chairman of the Canadian Human Rights Commission; Ms. Marnie Clarke, director of the Women's Bureau of the Ontario Ministry of Labour; W.A.M. Birt, general manager of employee relations for Shell Canada; and Ed Finn, public relations director of the Canadian Brotherhood of Railway, Transport and General Workers — were in general agreement that women and minorities are not being treated fairly in the work place. But Birt, whose company is regarded as one of the more enlightened in this matter, didn't agree with the other panelists that tougher anti-discrimination laws and more aggressive affirmative-action programs are necessary. He felt that most employers would voluntarily take steps to correct the unfair treatment of women and minorities, as Shell has done.

Clarke expressed this divergence of views most graphically, referring

to it as a choice between simply opening more doors for women, or giving them a push through such newly opened doors.

"Encouragement is essential," she said. "Women have been exploited and conditioned for so long, confined to the more menial and low-paying jobs, that it's not enough just to make it possible for them to better themselves. They must be given positive inducements as well."

Cadieux echoed that viewpoint. She promised that the recently established Canadian Human Rights Commission, under chairman Gordon Fairweather, will give a high priority to encouraging — and if necessary compelling — the development of affirmative-action programs in industries under federal jurisdiction.

"The Human Rights Act," she pointed out, "gives the commission the authority to force employers to adopt affirmative-action methods, where discrimination has been clearly proved. We would prefer to use persuasion to correct mistreatment of women, native Indians, immigrants and other minorities, but we will use our statutory powers if they are required as a last resort."

"We would prefer to use persuasion...but we will use our statutory powers if they are required as a last resort"

She deplored both the inadequacy of affirmative-action programs already launched, and the adverse reaction they have triggered among some members of the privileged majority.

"Some people in authority," she said, "seem to feel threatened by even very modest attempts to change the status quo so as to give women and minorities a better deal."

She discounted the charge that affirmative action involves a form of "reverse discrimination" against the majority.

"All that our commission will seek to do is redress wrongs and correct inequities," she declared. "We will reject any complaint against affirmative action if it is based on an objection in principle to the need for such special programs to eliminate long-standing discrimination in pay and employment."

Birt described Shell's policy of providing equal employment opportunities to all qualified people, regardless of race, sex or creed.

"Women are still not highly visible in Shell management," he admitted, "but their numbers are growing. We have two in our mid-management ranks, nine in junior management, and 107 in our technical and professional staff."

He cited two reasons for the slow progress. One is that the development of leadership takes time,



"The company's run by women — I'm their 'token' male."

particularly when the enrolment of women in engineering and the earth sciences in universities remains so low. The other is that many women are not prepared to commit themselves to the demands that a business career entails, such as travel and night and weekend work, which necessitates being away from their families.

"Shell's record in employing native people and other minorities is pretty good," he said. He mentioned the recruitment of Indians for the company's Peace River plant, and the development of other on-site programs to recruit native people in the North.

Finn emphasized the inadequacy of anti-discrimination laws in most of the provinces, and argued that both the laws themselves and their enforcement would have to be greatly improved before affirmative-action programs could be

expanded and made more effective.

"To be fair," he said, "it should be noted that the new federal Human Rights Act is a big improvement over the previous legislation. But it still falls far short of the laws,

...both the laws themselves and their enforcement would have to be greatly improved before affirmative-action programs could be expanded and made more effective

programs and enforced mandatory requirements that characterize equal-pay and equal-rights policies in the United States."

He had praise for "the relatively few Canadian companies" that have voluntarily moved to break down job and pay barriers, such as

Shell and Bell Canada, but argued that the majority of employers would have to be pressured into following their example.

"The unions, too," said Finn, "need some kind of 'legislative override' to help them change, broaden and merge their seniority lists, which sometimes act unintentionally to deny advancement to women and minorities."

He pointed out that the reliance on democratic procedures by unions can have the effect of perpetuating the interests of the majority. "A majority vote may be democratic," he said, "but it's not necessarily fair."

Finn, who presents his views on this subject in more detail in an article in the May issue of *The Labour Gazette*, chided unions as well as companies for giving only token support to the cause of pay and employment equality.

"We're great advocates of justice and equality of opportunity," he said, "as long as they remain abstract principles — as long as we're called upon to do nothing more than pass piously worded resolutions at conventions. Their achievement, however, will come only with the active commitment of many more Canadians to help this country practise what it preaches."

Clarke was more optimistic. She said that great strides have been made in the past few years in developing programs within departments and agencies of the Ontario government, 28 of which now have women's advisors.

"There's been a significant increase in training courses for women," she said, "and some real breakthroughs into areas where there were formerly no women."

The Women's Bureau she heads is now working with hundreds of companies and municipalities in the province, advising them on how to improve their treatment of women and minorities.

Prof. Harish Jain, president of the Hamilton chapter of the Industrial Relations Research Association, which sponsored the discussion, said that the big question was whether the ultimate objective should be to provide simply equal employment opportunities, or equal representation.

"In other words," he said, "should we strive to have the representation of women and minorities in all kinds and levels of employment

"We're great advocates of justice and equality of opportunity...as long as they remain abstract principles..."

rise to a point where it is consistent with their percentage of the population?"

The president of McMaster University, Dr. A.N. Bourns, posed even more challenging questions in his address of welcome.

"How do we define minorities?" he asked. "How do we measure affirmative action programs or determine how far they should go? Can we defend the imposition of arbitrary quotas, telling employers they must hire so many women and so many members of minority groups, as has been done in the United States?"

He described a dilemma facing Canadian universities, which have been pressured in appointing staff to give preference to Canadians, and now to give preference to women.


It isn't undemocratic...to take measures to curtail privileges and unfair advantages that should never have been allowed to develop...

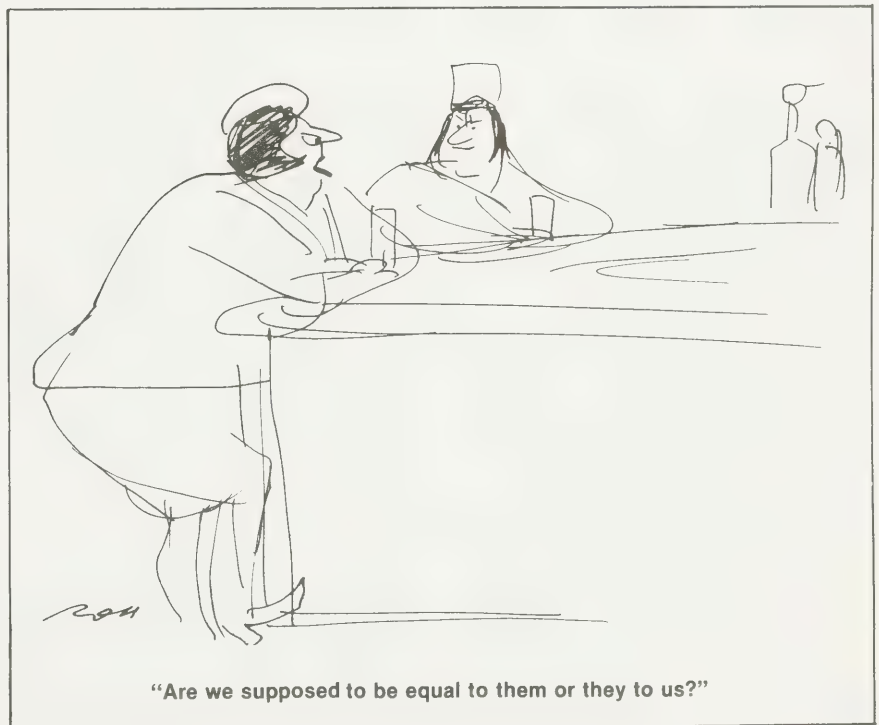
"If we have applications from a qualified male Canadian and a qualified foreign woman," he said, "who do we hire? To which goal should we give priority — nationalism or human rights?"

The panelists didn't attempt to come to grips with these questions, beyond admitting that there were no easy answers. They did, however, in the question-and-answer session that followed, refute claims from the audience that affirmative action programs were undemocratic, discriminated against the majority, and gave unqualified job-seekers preference over qualified ones.

It isn't undemocratic, they argued, to take measures to curtail privileges and unfair advantages that should never have been allowed to develop in the first place. They also stressed that affirmative action doesn't mean giving jobs to unqualified persons. It means that, between equally qualified applicants for jobs from which women and minorities have been barred, preference should now be given to the disadvantaged, to compensate for and correct past discrimination.

Like most debates on this controversial and emotionally charged issue, this one didn't produce any magic solutions. But it did impart some fresh insights, outlined the dimensions of the problem, and underlined the need for more public understanding of the basic principles involved.

One thing is certain. We'll be hearing a lot more about affirmative action and equal rights for women in the months and years ahead. 



Equal pay and equal opportunity — Part 1

by Christine Fisher

Any delegate who attended the Ontario Ministry of Labour's recent conference on equal pay and equal opportunity in search of reassurance that forthcoming Canadian legislation will rectify the imbalance between the status of men and women in the work force must have left with a heavy heart.

On January 16 and 17, 1978, the Ministry of Labour brought together speakers from Canada, Great Britain and the United States at the Royal York Hotel in Toronto to report on the results of equal pay and related legislation.

Chaired by Kay Sigurjonsson from the Federation of Women Teachers Association of Ontario, the conference opened with a paper from Marnie Clarke of the Ontario Women's Bureau which dealt with the enforcement status of present equal pay legislation, the equal value concept, suggestions for improving present legislation, as well as some options for future consideration.

Since the enactment of the Female Employees Fair Remuneration Act of 1951, changes have been made in the wording of this legislation which banned discrimination between male and female employees performing the same work; in 1975, the interpretation of equal pay for equal work was broadened to include work which is "substantially the same," and the Act now provides for the collection of back pay of up to \$4,000 for each employee.

Nevertheless, Clarke pointed out, there are indications that male/female salary differentials both within and between occupational categories are growing. Clarke sees two major obstacles to the improvement of this situation; first the occupational distribution of women in the labour force: "Sixty-three point five per cent of all female workers are clustered in sales, service, and clerical areas, compared with 27.1 per cent of all males. These occupations have traditionally been undervalued and poorly paid.... Present legislation does not assist such women since there are few men in these occupations and, therefore, equal pay for substantially the same work does not apply."

Delegates were later to discover that neither Britain nor the United States has any solutions to offer to this problem.

The second major obstacle according to Clarke is the employees' fear that the filing of a complaint may lead to harassment, especially in the case of a lone complainant.

"Most of the successful equal pay cases have involved groups of women in a single category, which

...there are indications that male/female salary differentials both within and between occupational categories, are growing

provides greater security for the individual employee," reported Clarke.

In Canada, equal-value legislation has been urged by civil rights groups, women's organizations, and by organized labour across the country, a fact which Clarke contrasted with the situation in the United States, "where there have been no strong pressures for changes in their equal pay legislation. In that country affirmative-action legislation covering all minorities was mainly the result of the demands of the civil rights movement, and women were included as only one of the minorities under the legislation." Moreover, as Clarke pointed out, "since racial tensions have not been as widespread or intense in Canada, the major demand for change has tended to be focused on the status of women."

When the section of the Canadian Human Rights Act dealing with equal pay for work of equal value comes into effect, the provinces, Clarke indicated, will be following its implementation with great interest.

The difficulties in the enforcement of equal pay for work of equal value are in many ways an extension of those being faced in the present equal-pay-for-equal-work legislation, Clarke said.

"Adequate enforcement of equal pay for substantially the same work also involves interference in

the market place, increased costs to governments and employers, interference in collective bargaining, and possible labour allocation problems. Thus, moving towards equal value legislation is, to some extent, a matter of degree, a further development whose total impact is difficult to predict. It would appear that the critical factors are the need for extensive job evaluation systems, effective guidelines for non-sexist job evaluation plans, and an adequate method to assess job analysis and evaluation systems. This is the area which requires research and a public education program."

Clarke outlined three minor changes through which she feels present legislation could be improved:

"First, a redefinition of what constitutes an 'establishment' could provide broader coverage. The present definition of establishment covers only one specific geographic location so that an employer with several establishments need only respond to equal-pay settlements in one branch of company operations.

"Another area where enforcement could be improved is the case where a woman is hired to replace a man, assumes the same job responsibility but is paid less than her male predecessor. A 'consecutive employment' clause could cover this specific problem.

"A third area under consideration is the right of appeal. Employers have a right to have a decision that they are guilty of violating the equal-pay provisions reviewed by a referee. At present this privilege is not extended to the employees, although they do have a right to an internal review by the Ministry if the decision is that there was no violation. However, such sugges-

"Most of the successful equal-pay cases have involved groups of women in a single category, which provides greater security for the individual employee"

ted changes are certainly worth investigation by all jurisdictions to ensure that the present legislation is as effective as possible."

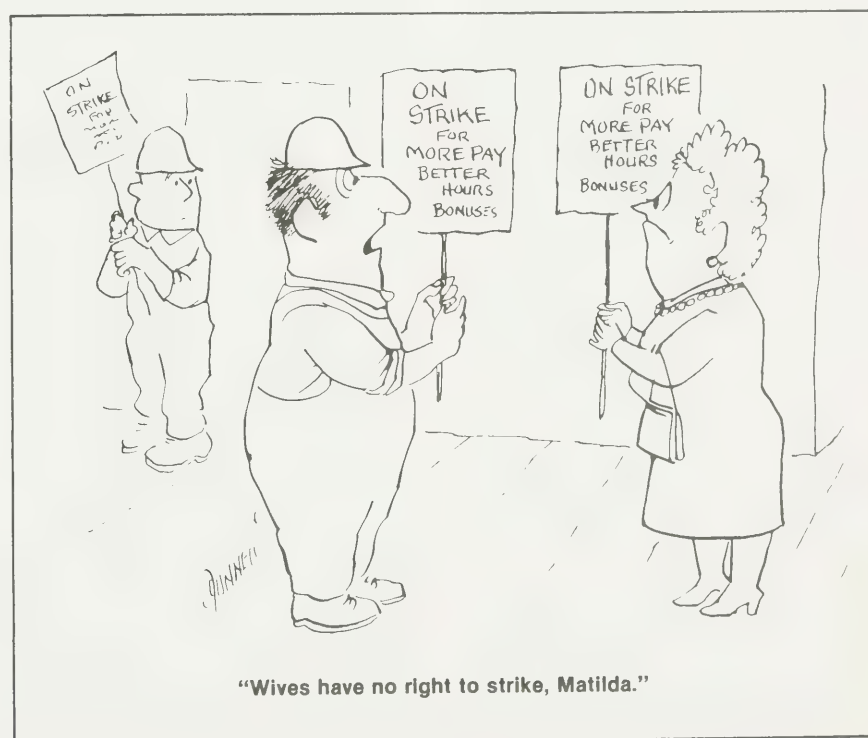
Amongst the options that Clarke put forward for future consideration was contract compliance, "a legislative measure designed to increase employment opportunities and advancement for female employees and other minorities in organizations tendering for government contracts. It is a relatively straightforward measure which can include clear guidelines covering specific requirements. Organizations could be required to file an affirmative action plan which would then be approved and

monitored by a compliance agency.

"Such a measure could begin to change the occupational balance of the labour force through the planned establishment of goals and programs designed to hire women in all occupational categories and to increase the numbers of women in decision-making roles.

A further option suggested by Clarke was the development of tax incentives to encourage equal opportunities in the work force: "Tax rebates could be given to employers providing equal opportunities for male and female staff to participate in career-related training programs, including management seminars and conferences."

This suggestion evoked a vehement response from one delegate who proposed tax penalties for employers who fail to provide



equal opportunities for women workers.

Clarke emphasized that public education by governments, voluntary organizations, and interested individuals must be continued in order to change outmoded attitudes toward women in the work force, the home, and the community.

"The best approach," she concluded, "to solving the serious problems faced by women in the work force is surely a combination of public education and sound legislation, effectively enforced."

"Adequate enforcement of equal pay for...the same work also involves interference in the market place, increased costs to governments and employers, interference in collective bargaining, and possible allocation problems"

After Clarke came Michael Skolnik, assistant director (administration) at the Ontario Institute for Studies in Education, with a paper entitled, "Equal pay for work of equal value: the need to emphasize the seriousness of the problem rather than the certainty of the solution."

Skolnik's paper was highly academic, mainly eclectic, and necessarily inconclusive, since the burden of his argument lay in the need to approach solutions as experiments rather than as absolutes. The problem to be confronted, he said, is that of unequal pay for work of equal value.

"The concept of value, in the sense used here," Skolnik explained, "is not the outcome of the application of any single objective system of measurement, for no such system exists. However, the

fact that we cannot measure the extent of the problem of unequal pay for work of equal value — as we can measure unequal pay for equal work — does not mean that the problem doesn't exist or can't be addressed. Many of the most serious of human problems similarly elude measurement.

"It should be obvious that the concept of value is by its very nature highly subjective. If large numbers of people feel strongly that market-determined wage differentials between males and females are inequitable, then there is an inequity problem. When dealing with such feelings, to say 'come back when you have adequate data to define the problem' is not a meaningful response. A more constructive response is to accept such statements about inequity for what they are — expressions of feelings and descriptions of perceptions; to try to empathize with them; and to explore what can be done to remedy the situation. Such a response establishes a common ground of acceptance of the seriousness of the problem.

"Two elements necessary in any response," continued Skolnik, "are commitment to amelioration of the problem and humility regarding our knowledge of what effect various proposals might have."

Basing his argument on Donald T. Campbell's article, "Reforms as Experiments" (American Psychologist, April, 1969), Skolnik said that when social policies are advocated as though they were certain to be successful, then reforms are difficult to introduce and evaluation tends to become distorted.

"What Campbell advocates," said Skolnik, "is a shift in political posture *from the advocacy of specific reforms to the advocacy*

...child labour, which we now regard as morally reprehensible, was economically beneficial to industry. We saw that child labour was wrong...the present problem is just as obvious

of the seriousness of the problem, and hence to the advocacy of persistence in alternative reform efforts should the first one fail. Campbell goes on to emphasize the need for experiment and repeated experiment in developing successful social reforms. He argues that too many social scientists expect single experiments to settle issues once and for all when the significant experiments in the physical sciences usually have been replicated hundreds of times. Yet because social sciences provide far less opportunity for 'experimental isolation' and because the treatment effects are likely to interact significantly with a wide variety of social factors many of which are 'unmapped', there are much greater needs for replication of experiments in the social than in the physical sciences. In emphasizing the concept of experiment here, I should point out that I am using the term 'experiment' in its broadest sense, to include open-ended, qualitative, subjective and even dramaturgic elements of evaluation rather than merely the narrow 'contrived' laboratory model. Most of the criticism of the experimental approach to evaluation of social programs has, in my view, been misplaced, as a result of taking far too narrow a view of what constitutes an experiment."

What Skolnik advocates is the adoption of the "Principle of the Middle Axiom" put forward by E.F. Schumacher in *Small is Beautiful* and defined as "an order



"Women's Lib's finally come of age, Murphy - investigate this complaint for husband beating."

not from above which is not yet quite an order."

Skolnik commented on some of the likely ingredients of a middle axiom: dialogue between management and workers, he said, is essential, and those involved should not rely on complaints as a basis for discussion; plant health and safety committees, Skolnik feels, offer a good model for equal-value discussions. Solutions should fit the individual establishment: "In some establishments, the parties involved may, after examination and discussion, conclude that they do not have a problem. If they do identify a problem, they will be able to zero in on it and begin to develop solutions that fit their work environment.

The costs of implementing equal pay for work of equal value demand more formal solutions, Skolnik conceded.

"Most employers probably would not take on such costs in the absence of some type of politically

instituted commitment and government-backed action. For this reason, it is unlikely that there will be significant progress in the direction of equal pay for work of equal value without strong government action, including provision of adequate resources, and possibly legislation. Whether there will be the necessary mandate from the public for such government action, will depend upon whether there is

"There can be no question... that issues taken up by trade unions are far more likely to succeed than issues handled by individuals in isolation"

a common base of understanding of and commitment to the problem among labour, management, women's groups, and the general public; and whether an acceptable and effective middle axiom can be found," he concluded.

During the ensuing question period a member of the Equal Pay Coalition asked whether the

question of cost was the basic reason that the Ontario Ministry of Labour had failed to make a firm stand for equal pay. Wage and price control and anti-inflation policy were implemented rapidly enough, she pointed out.

A fair amount of hostility toward the Ministry became apparent as various delegates charged that the equal-pay question had been debated, researched, and "green-papered to death." One delegate demanded to know why, when the Ontario Chamber of Commerce had warned that equal pay would cause significant economic problems, the Ministry had replied that there would be no immediate action until further research had been conducted.

Another member of the Equal Pay Coalition made the point that child labour, which we now regard as morally reprehensible, was economically beneficial to industry. We saw that child labour was wrong, she said; the present problem is just as obvious.

Dr. Harish Jain of McMaster University struck a positive note when he claimed that the added costs of equal pay are balanced by benefits to the employer through more efficient use of human resources and the higher worker morale generated by fair treatment. He urged that these benefits should be stressed in any discussion of costs.

The delegates also heard a report from Britain given by Baroness Nancy Seear, reader in personnel management at the London School of Economics since 1946 and a life peer since 1971. Lady Seear opened with the observation that "the movement for women's rights in Britain was more than 100 years old before the Equal Pay Act of 1970 reached the statute books... Although the T.U.C. passed a

resolution in 1888 accepting the principle of equal pay for equal work, mass support for women's rights did not arise until the 1950s when, as a result of pressure from women in the civil service unions, equal pay was established in the civil service and in teaching."

Of the two pieces of legislation governing equal pay and equal opportunity in Britain, the Equal Pay Act, which was passed in 1970 and came into full effect in December, 1975, provides for equal treatment of men and women with regard to terms and conditions of employment within an establishment,

- a) for men and women employed in like work, and
- b) for men and women in work rated as equivalent.

Work is rated as equivalent only if the job has been given equal value, based on such factors as skill and effort, by a system evaluating all jobs in an undertaking. There is no obligation to establish a job evaluation scheme under the Act, nor does the Act provide assistance in establishing such a scheme.

The Sex Discrimination Act, effective since December 29, 1975, makes sex discrimination unlawful in employment, training and related matters, education and the provision of goods, facilities and services to the public. In addition, discrimination in employment is illegal if based on marital status. The Act also covers discriminatory advertising.

The Equal Pay Act and employment-related cases under the Sex Discrimination Act are enforced through Industrial Tribunals, which are not courts of law, but are made up of men and women nominated by employers' associations and

trade unions and presided over by a legally qualified chairman. Cases heard at Industrial Tribunals are subject to appeal on points of law to the Employment Appeal Tribunal.

In non-employment cases under the Sex Discrimination Act, individuals have the right to direct access to the courts; legal action against discriminatory advertising may be taken only by the Equal Opportunity Commission which may also assist the Industrial Tribunals.

"The best approach...to solving the serious problems faced by women in the work force is surely a combination of public education and sound legislation, effectively enforced"

Lady Seear stressed the difficulty of isolating the impact of legislation from the many other variables affecting the position of women in Britain, but the available figures for changes in pay provide some basis for interpretation.

"In 1970," Lady Seear reported, "women's average gross weekly earnings were 54.3 per cent of men's average earnings. This figure rose to 61.5 per cent in 1975 and to 64.3 per cent in 1976." By 1976, hourly earnings for women were 75.1 per cent of men's. "Despite this lowering of percentage differences, in cash terms the gap between women's earnings and men's earnings has, in fact, increased in this period.

Lady Seear had four comments to make on the situation that these figures reflect.

1. "The years 1970-76 cover periods of very high wage settlements. In each of the years except 1972-73 the percentage increase in

women's gross weekly earnings was higher than the percentage for men by 3 per cent in 1970-71, by 5.3 per cent in 1973-74, by 9.6 per cent in 1974-75 and by 6.2 per cent in 1975-76. But given the initial higher level of men's earnings a percentage increase of 28.4 per cent for men in the year 1974-75 inevitably involved a very large increase in take home pay, much in excess of the amount taken by women, despite the women's larger percentage rise, though the women's rise in that year was 38 per cent.

2. "The large percentage increases for women undoubtedly were affected by the Equal Pay Act. But detailed examination of the way in which the legislation has been applied in enterprises has shown that the Equal Pay Act is so phrased that it is possible for employers to keep within the law and still to make relatively small adjustments — ambiguities of job evaluation schemes, the interpretation of differences of practical importance when assessing 'like work', use of material differences where like work appears to have been established have made possible a policy of 'minimization' to which no legal objection can be raised.

3. "Separate scales for the payment of women and men have been eliminated from collective agreements but not infrequently women receive the lower level of pay allowed in the agreement, a level which is not in fact being paid to any men. Where the criterion is 'like work' and no 'like work' exists no further action can be taken. Women's frequent exclusion from shift work, supported by the continuation of protective legislation limiting women's hours of work also contributes to women's inferior earnings, as does the unwillingness or inability of many women to work overtime.

4. "But probably the most important single reason for the continuing differential between men's and women's pay is to be found in the continuing practice of job segregation, despite the requirements of the Sex Discrimination Act. In Great Britain, as elsewhere, women are traditionally concentrated in a relatively small number of jobs at the lower level of the employment hierarchy. So far the Sex Discrimination Act has done little to alter this position. The Act has, it appears, made little impact on employers, trade unions or women. Research findings suggest that there is widespread knowledge of the existence of the Equal Pay Act though accurate knowledge of its contents is less extensive. But knowledge of the Sex Discrimination Act is at a very low level indeed. This comment is supported by the small number of applications submitted to Industrial Tribunals where action

...the added costs of equal pay are balanced by benefits to the employer through more efficient use of human resources and the higher worker morale generated by fair treatment

was completed in the period 20/12/75 — 31/12/76. Applications under the Equal Pay Act amounted to 1,742 but under the Sex Discrimination Act there were only 243 and of these 59 came from men."

"Of the Equal Pay cases, over 50 per cent were withdrawn, a minority because settlements were reached privately and the rest for reasons unknown. In part, this reflects the ignorance of the legislation leading to cases which never had a chance of success for the complainant," said Lady Seear.

"Of the 184 women's cases taken under the Sex Discrimination Act, 26 were officially abandoned and 18 were settled privately. But of the 91 cases which finally reached a Tribunal only 18, or just under 20 per cent of cases, were settled in favour of the applicant — a result which bears out the contention that the Sex Discrimination Act is too little understood."

Although some decisions made by Industrial Tribunals reveal a certain amount of confusion, the Employment Appeal Tribunal, whose decisions constitute case law, continues to clarify and tighten the interpretation of the Acts. Lady Seear recounted a case settled by the Employment Appeal Tribunal which will have far-reaching effects for many women:

"Ms. Belinda Price, a woman in her thirties, applied for a job at the executive level in the Civil Service. The Civil Service Department informed her that she was not eligible to apply as jobs in this category were subject to an upper age limit of 28. Ms. Price appealed to an Industrial Tribunal with the assistance of the National Council for Civil Liberties, arguing that this condition constituted indirect discrimination since many women under the age of 28, were unable for domestic reasons, to apply for work. She lost her case at the Industrial Tribunal but on appeal to the Employment Appeal Tribunal it was agreed by the Tribunal that it was the realities of life that had to be taken into account and on this interpretation women were in fact not as available for employment as men under the age of 28. Ms. Price finally won her case. This will require the Civil Service to revise its policy on age limits. This particular case may well have significant beneficial results for the very important category of older women seeking to return to the labour market. Many civil



"Of course I believe in equality! I do my job and I let you do your job!"

service jobs of the executive category are available all over the country and access to them could ease the mobility problem which so often handicaps married women. Moreover many other organizations operating upper age limits for recruitment will have to re-examine their practices."

It is clear to Lady Seear that the legislation has not so far achieved the desired results because it is not being properly applied. Responsibility for the dissemination of information about the Acts should be shouldered, not by government alone, but by trade unions, political parties, women's groups, schools, voluntary organizations and employers' associations throughout the country.

"There can be no question," she said, "that issues taken up by trade unions are far more likely to succeed than issues handled by individuals in isolation. The trade union movement at the top is solidly behind the legislation. But research shows that this is by no means always reflected in action lower down the line. Informal collusion between shop stewards and supervisors, unknown to either management or the union hierarchy can and does prevent the legislation having its full effect."

The Equal Opportunities Commission, which has been in existence for two years and whose job it is to see that the law is properly applied, has been criticized for its failure to use its powers suffi-

ciently. The Commission reported that it had spent much time defining priorities and evolving a variety of methods for dealing with discrimination.

Lady Seear feels that this is time well spent, and that the Commission may be right not to give first priority to the use of its powers of enforcement. In Lady Seear's opinion, the Commission cannot act as both persuader and enforcer, and she favours the Commission's choice:

"Unequal pay is a symptom of unequal opportunity"...education has failed to orient girls toward a wide variety of jobs, but women have not availed themselves of skill training that is open to them

"The more difficult, subtler, but in the end the surer way, is to work within the system where the chances have to be brought about. In attempting to use persuasive methods the Commission is to some degree recognizing this fact. But to achieve its best results, change must be generated from within, not imposed from without. This means it is primarily the task of trade unions, of managers, of teachers, of professional bodies, of training organizations, to work at their own level. Probably exemplary sanctions are needed to trigger off the will to change. But

only change that is self activated is likely to be sustained. The real problem is to find ways of stimulating such change within the system. It is to this that we should, in the main, be directing our attention," Lady Seear concluded.

A lively question period followed Lady Seear's paper, and some delegates, particularly those from the Equal Pay Coalition, were surprised at the economist's attitude toward women's job ghettos. For example, a public health nurse declared that society places a low economic value on her skills, but she would rather fight for higher pay than switch to some more lucrative employment. Lady Seear replied that since the nurse had chosen a traditionally female profession for which supply exceeded demand, she must either accept the consequences of that choice or re-train for an occupation that is in demand.

"Unequal pay is a symptom of unequal opportunity," said Lady Seear. So far, education has failed to orient girls toward a wide variety of jobs, but women have not availed themselves of skill training that is open to them. [9]

Part 2 will discuss the American experience and present Canadian economic and legal opinions from Dr. Gail Cook and Professor Mary Eberts.

Labour legislation in Canada, 1977

Part 1D: labour relations - construction

by Allan Nodwell

Ontario sanctioned Bill 22 on October 27, 1977 bringing into effect new sections 125 to 136 to the Labour Relations Act respecting province-wide bargaining in the construction industry.

In the interpretation section the term "collective agreement", is supplemented by the words "and includes a provincial agreement"; "employers' organization" is supplemented by "and a designated or accredited employer bargaining agency" and to the term "trade union" is added "and a designated or certified employee bargaining agency".

The following definitions are presented:

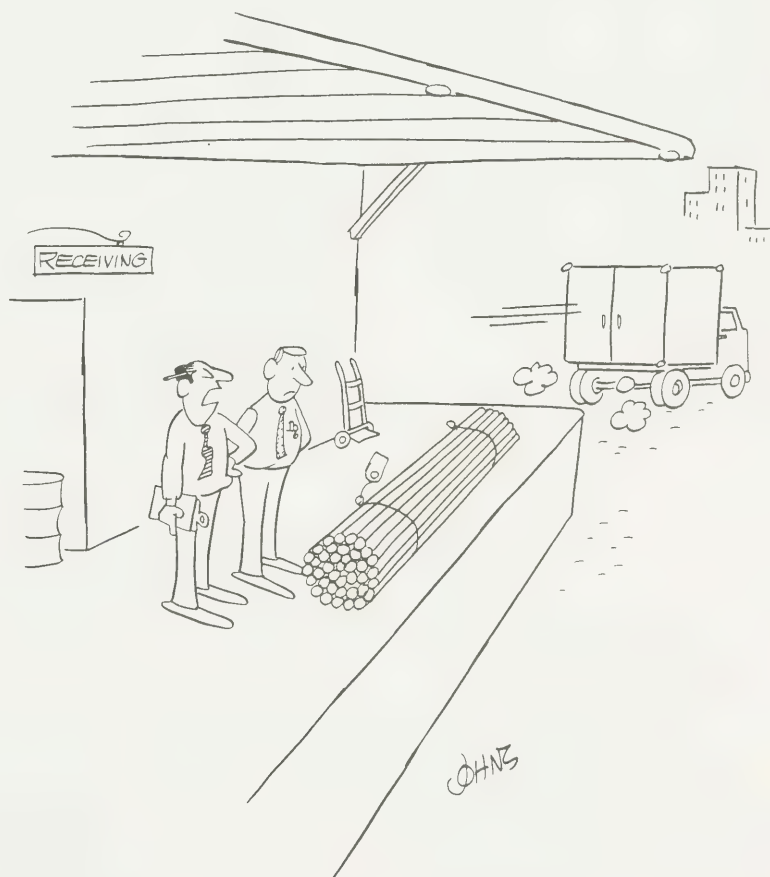
(a) "affiliated bargaining agent" means a bargaining agent that, according to established trade union practice in the construction industry, represents employees who commonly bargain separately and apart from other employees and is subordinate or directly related to, or is, a provincial, national or international trade union and includes an employee bargaining agency.

(b) "bargaining" except when used in reference to an affiliated bargaining agent, means province-wide, multi-employee bargaining in the industrial, commercial and institutional sector of the construction industry.

(c) "employee bargaining agency"

means an organization of affiliated bargaining agents that are subordinate or directly related to the same provincial, national or international trade union, and that may include the parent or related provincial or national or inter-

national trade union, formed for purposes that include the representation of affiliated bargaining agents in bargaining and which may be a single provincial, national or international trade union;



"WELL, EXCEPT FOR SENDING THE WRONG QUANTITY, THE WRONG LENGTH, AND THE WRONG DIAMETER, THEY FILLED OUR ORDER PERFECTLY"

(d) "employer bargaining agency" means an employers' organization or group of employers' organizations formed for purposes that include the representation of employers in bargaining;

(e) "provincial agreement" means an agreement in writing covering the whole of the Province of Ontario between a designated or accredited employer bargaining agency and a designated or certified employee bargaining agency that represents affiliated bargaining agents. The agreement contains provisions respecting terms or conditions of employment, or the rights, privileges or duties of the following: the employee bargaining agency; the employers represented by the employer bargaining agency for whose employees the affiliated bargaining agents hold bargaining rights; the affiliated bargaining agents represented by the employee bargaining agency, or the employees represented by the affiliated bargaining agents and employed in the industrial, commercial and institutional sector of the construction industry.

The Minister may designate initially new bargaining agencies

to represent individual trades or crafts and employers of such trades or crafts in province-wide, multi-employer bargaining in the industrial, commercial and institutional sector of the construction industry. He may also exclude certain bargaining relationships from these designations and is empowered to convene a conference of trade unions and employees to advise in the selection of the appropriate bargaining agency. Referral may also be made to the Ontario Labour Relations Board (O.L.R.B.) of any question concerning a designation and may amend or revoke a designation and make another.


A designated employee bargaining agency may be replaced by the O.L.R.B. if the Board finds the applicant for replacement to be more representative of employees in the trade or craft. This is likewise applicable to a designated employer bargaining agency.

An employee bargaining agency, upon designation or replacement by the O.L.R.B., has vested in it all the bargaining rights of the trade unions which represent the number of a particular trade or craft for the purpose of bargaining

for a provincial agreement. Again the same is applicable to an employer bargaining agency.

According to the legislation, existing collective agreements must end according to their term of operation, and are then replaced by the provincial agreements which will become binding upon employers, trade unions and employees in the trade or crafts covered by the provincial agreements.

A provincial agreement is to be the only agreement between employers and a designated trade or craft, and any agreement or arrangement other than a provincial agreement is deemed null and void. All provincial agreements are to expire at the same time, namely on April 30th, and shall be for a period of two years.

The O.L.R.B. is empowered to determine whether work performed by employees is within the industrial, commercial and institutional sector of the construction industry. An employee and an employer bargaining agency is required to act in good faith with their members and the employers or union they represent. 

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*.

1976: October.

1977: January, February, August,

October, November.

1978: April.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

comment

"Critical errors"

The article entitled "Occupational health and safety — a critical view," in your April 1978 edition included inaccurate and misleading information on the proposed Canadian Centre for Occupational Health and Safety. I would like to clarify for you and your readers just a few of the more critical errors.

The proposal for the Centre has been based on a concept that is purposefully different from that of the National Institute for Occupational Safety and Health (NIOSH) in the United States and from the Health and Safety Commission in Great Britain, both of which Ms. Leonard uses as comparisons. The Centre is designed as an independent body, part of no government department or agency and reporting through no such body. Recently, members of NIOSH have greatly praised the Centre's projected autonomy in direct relation to the problems they have suffered in being part of the United States Department of Health, Education and Welfare.

The Centre will report to Parliament through a Minister. That Minister will be the voice of the Centre in the House of Commons but there will be no other reporting relationship. The Minister of Labour has not been designated for this role.

Ms. Leonard's inference of the lack of support for the Centre by the Canadian Labour Congress is

misleading. The CLC has expressed support for the Centre. The statements attributed to Mr. Major were made in November of 1977 at which time I understand he was expressing his own opinions. Other labour groups and some unions have spoken in favour of the Centre.

The research that the Centre will support will be done by existing or strengthened establishments. It will be impartial and objective, reflecting neither the views of labour, nor management nor indeed of the government. The Centre is obligated by the legislation to publish the reports of the research it supports within 90 days of the receipt of such reports. The information will be published with or without the consensus of all groups and will not await any government approval. It may be noted that research supported by or undertaken by specific concerned parties, be they labour, management or government has almost always been seen as biased and indeed has confused facts with value judgments.

The initial year's cost of the Centre will be approximately one million dollars, not six to eight as stated by Ms. Leonard. The staff, in three to four years time, might number 85 to 100 in total. No detailed decisions have been made on the composition of that staff.

Certainly labour, through its representation on the Council and the Executive Board of the Centre

will have considerable input into the type and timeliness of the research which is undertaken and supported. Professionals, scientists and experts will be drawn in to work on projects. The Centre will not be employing a large group of "government researchers." The staff of the Centre will not be public servants. It is necessary to stress again that the Centre is not a federal government body.

There are many other matters in the article that can be similarly discredited. In the interests of brevity, however, I will close by saying that it is sad to see a journal like *The Labour Gazette*, which has won respect for the excellence, depth of research and accuracy of its articles, publish one such as this which is so deficient in those qualities.

J.H. Currie,

Director General
Planning Secretariat
Canadian Centre for Occupational Health
and Safety

Mr. J.H. Currie's views were brought to Ms. Leonard's attention. The following is her reply.

After reviewing my notes and going over the material on the Centre for Occupational Safety and Health, I remain unconvinced that my errors are anything more than differences of opinion.

My central concern is that the centre is being proffered as a

panacea for the complex and dramatic problems of occupational health. What it really represents is the creation of yet another bureaucracy, if not a government bureaucracy, then one closely following that model.

All of the central administrators at CCOSH are career civil servants from either Labour Canada or Health and Welfare. Considering the expertise in the occupational health field to be found outside of Ottawa, these appointments are perhaps questionable. If the planners were really concerned with establishing the centre's autonomy, it seems to me they'd want to staff the secretariat a little more imaginatively.

The remarks "attributed" to Mr. Major were released in an *official* CLC statement shortly after the conference. I'm sure Mr. Major was expressing his own opinion. He was also expressing the opinions of other delegates I spoke with during the conference and his remarks reflected the soft word heard at the back of the room during Mr. Currie's presentation. Considering that the CLC is

Francophone QWL research centre

I should like to call your attention to what appears to be an omission. In an article entitled "Making Work More Human," by Roy LaBerge, in *The Labour Gazette*, Vol. 77, No. 11 (November 1977), the author forgot to mention that, since 1975, a francophone centre for the study of QWL exists. There are seven professors there with various kinds

hardly the most militant arm of labour, it's misleading for Mr. Currie to infer labour's support.

My figures on the cost of the centre were obtained from one of Mr. Currie's staff. It should be pointed out that there is no mention of an *annual* budget of \$6-8 million. The figure I was given was very vague — six to eight million to make the centre operational over an unspecified number of years.

It should also be pointed out that

of training, but with a common interest. Six of these professors are members of the teaching staff of the École des Hautes Études Commerciales affiliated with the University of Montreal, while the seventh teaches at the Université du Québec in Montreal.

Maurice Boisvert

Co-ordinator
Research group on the quality-of-working life
École des Hautes Études Commerciales
Université de Montréal

this information was given to me in a brief telephone conversation responding to a letter. The letter followed two abortive attempts to interview Mr. Currie and his staff (he had gone home abruptly prior to my arrival both times) and a failure to secure a subsequent appointment for an interview. It's disturbing to say the least, to have one's research standards condemned by someone so skillful at making his viewpoint unavailable until after publication.

Lynda Leonard

Books

Reformers, Rebels and Revolutionaries:

The Western Canadian Radical Movement 1899-1919

by **A. Ross McCormack**, University of Toronto Press, Toronto, 1977.

McCormack's book analyzes the three major branches of the early

labour movement in the Canadian West and documents the traumatic social change at the turn of the century. Western labour alienation was caused in part by this very rapid social dislocation. "Industrialization took approximately a century in Britain and some fifty years in the United States. In western Canada the process was compressed into less than two

decades" (p.14). The subsequent labour response took a threefold direction: radicalism with a Marxian emphasis on an end to capitalism; militant industrial unionism with an emphasis on large all-embracing industrial unions and; labourites with an emphasis on the need for political action to extract immediate reforms.

The period, even more than today, was marked by division in the working class movement as to which was the optimal strategy for the working class. Some such as the B.C. “impossibilists” in the Socialist Party of Canada (SPC), argued that capitalism was incapable of any reform and that any amelioration for the working class was impossible under capitalism. Unions and reformist demands were rejected as counter-revolutionary. Most surprisingly this approach led to an emphasis on an exclusive vanguard party characterized by tight ideological uniformity, organizational discipline and strong class consciousness. This movement gained its largest adherence, then as today, in British Columbia. Such doctrinaire socialism proved incapable of widespread transplantation. The attempt to impose a single revolutionary socialist perspective proved fatal. “The Socialist Party of Canada became a prisoner, and then a victim, of its experience in British Columbia” (p.75).

A second orientation was that of militant industrial unionism. Perceiving the biases of the political process against the working class, many chose the path of large industrial unions and the direct general strike. This syndicalism found its expression in the Industrial Workers of the World (IWW or Wobblies) and later in the One Big Union and involved organizing extensively among unskilled immigrants. While achieving initial success, both movements evoked an extremely hostile reaction from businessmen and the state and fostered a paranoid belief that revolution in Western Canada was imminent. Harsh measures followed: police surveillance and espionage increased, union busting was encouraged, strikebreakers were illegally imported into Canada, labour leaders were harassed,

arrested or shot. It is reassuring to know that times have changed.

The third movement — Labourism — received the widest support and was an evolutionary, pluralist socialism based on a broad alliance of progressive forces ranging from social gospel to Marxism. Winnipeg, with the ILP (1895) and DLP (1918), represented labourism’s stronghold. Its major weakness, based on its more inclusive membership, was less ideological unity. It may be that any successful continent-wide party must necessarily allow for regional social conditions and permit regional variations in tactics.

Among other important themes is the much discussed alienation of the West. Repeatedly McCormack stresses Western workers’ discontent with “The National Policy” of massive immigration of cheap unskilled labour and high protective tariffs (p.9). As a result Western unionists experienced double exploitation by the East and by capitalists and became more radical than their Eastern craft union counterparts in the TLC.

Perhaps the most controversial theme to emerge is an implicit defence of the ‘labourism’ tradition and the CCF-NDP, its successor. McCormack documents the perils of revolutionary “impossibilism” and blindly militant industrial unionism. In both cases harsh state repression followed “radical linguistic hyperbole” (p.164). Emphasis on political orthodoxy in turn led to autocratic party policies and intellectual stagnation. The socialist movement suffered serious setbacks as a result. Echoing Penner’s hypothesis in *The Canadian Left*, McCormack suggests that the revolutionaries “discredited themselves” and in the end left the way relatively clear for the rise of a British Labour-type party — the CCF-NDP.

While not as difficult to read as Martin Robin’s *Radical Politics and Canadian Labour*, McCormack might have used more charts or appendices showing the complicated party name changes, key events, and biographical sketches of prominent individuals. Morden Lazarus with his fine biographical summaries in *Years of Hard Labour* and *Up From the Ranks* has shown the value of capsule summaries.

The epilogue is a major disappointment in that it seems almost an afterthought. Far more speculative analysis could have been offered on a discussion of which mode of worker organization is best suited to the contemporary scene. Curiously omitted by McCormack, is any mention of the fact that the major long-term significance of the Western Canadian radical movement was that it resulted in the transformation of the Canadian federal party system. The year 1917 and Western radicalism are watersheds, for Canada has never since had a two-party system. One of the consequences of this is the Liberal party preponderance and the Conservatives’ secondary role. The rise of labour third parties is a major factor in this development.

Despite these criticisms, McCormack’s book is a useful and important contribution to an otherwise inadequately discussed topic, and his historical research is impressive.

Alan Whitehorn

Fundamentals of Economics:

A Manual for Working People

by **Richard D. Vanderberg**, the Canadian Union of Public Employees, Ottawa, 1977

The Canadian Union of Public Employees commissioned a Cana-

dian economist, Richard D. Vanderberg, to write an economics textbook especially designed for union members interested in gaining a deeper understanding of the economic system in which they function. The resultant 86-page, attractively packaged paperback is an excellent layman's introduction to the discipline. The book's chapters on principles of economics, basic concepts, the government in the economy, and economic growth are written in clear, simple language. The only mathematical skill required to cope with them is simple arithmetic.

Some economists may dispute Vanderberg's generalizations and complain that the work lacks sophistication. Yet those are precisely the qualities that make it comprehensible to many of the workers for whom it was written. A reading of it will provide them with a grasp of most of the economic terms so widely used in business pages yet not always understood even by many of the journalists who write them let alone the many business-page readers who consider themselves better educated and more knowledgeable than the average CUPE member.

James Dowell, CUPE's education director, says the author has attempted to "eliminate superfluous theoretical debate while at the same time avoiding an overly simplistic presentation of his subject." Vanderberg has achieved that objective very well indeed. His little book could well serve as an introduction to economics for any literate Canadian, whether a member of a CUPE bargaining unit or a member of an introductory economics class in a high school, college or university.

Roy LaBerge

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Affirmative Action

Jain, Harish Chand. *Minority workers, the structure of labour markets and anti-discrimination legislation*, by Harish C. Jain and Peter J. Sloane. Hamilton, Ont., Faculty of Business, McMaster University, 1977. 1v. (McMaster University, Hamilton, Ont. Faculty of business. Research and working paper series no. 128)

Examines various definitions of internal labour market, dual labour market and labour market seg-

mentation, and shows inter-relationships. Summarizes empirical evidence in the U.S., Canada and Great Britain relating to these concepts. Analyzes anti-discrimination legislation in these countries, and discusses policy implications of the analysis.

Collective Bargaining

Scope of public-sector bargaining; First George W. Taylor Memorial Conference on Public Sector Labor Relations, edited by Walter J. Gershenfeld, J. Joseph Loewenberg and Bernard Ingster. Lexington, Mass., Lexington Books, 1977. 215p.

A collection of papers on public sector bargaining experience in several U.S. states and in the U.S. federal sector, revealing greater similarities than differences in the subject matters bargained. Discusses themes such as the influence

of differing bargaining units on bargaining scope, the legal framework of public sector bargaining, impasse-resolution practices, special interests of public sector employees and the right to strike for public employees.

Freedom of Association

Erstling, Jay A. *The right to organise*: a survey of laws and regulations relating to the right of workers to establish unions of their own choosing. Geneva, International Labour Office, 1977. 82p.

Hours of Labour

Travailler deux heures par jour, par Adret. Paris, Editions du seuil, 1977. 190p.

Income

Henry, Jacques. *L'efficacité*,

l'égalité, l'équité et la répartition personnelle des revenus. Ottawa, Département de Science économique, Université d'Ottawa, 1977. 58p. (Ottawa. University. Department of Economics. Research paper no. 7705)

Industrial Health

Carnow (B.W.) and Associates Ltd. *CASAW study of the effects of aluminum smelting on the health of Alcan workers in Kitimat, British Columbia, Canada.* Bertram W. Carnow: project director. Shirley A. Conibear: study coordinator. Kitimat, B.C., Canadian Association of Smelter and Allied Workers, 1977. 91p.

Industrial Relations

Anderson, John Charles. *Union effectiveness: an industrial relations systems approach.* Ithaca, N.Y., Cornell University, 1977. 434p.

Aims to identify the determinants of local union effectiveness, based on interviews with local union officers in 26 Canadian cities. Using the research results, re-evaluates previous models of determinants of union effectiveness. Includes a growth model of union effectiveness at different stages of the union-management relationship. Discusses the relation of union effectiveness at the local level to effectiveness at the national level.

Hébert, Gérard. *Labour relations in the Quebec construction industry.* Ottawa, Economic Council of Canada, 1977. Contents — pt. 1. The system of labour relations. Titre en français: Les relations du travail dans la construction au Québec. Pt. 1. Régime des relations du travail.

Presents the development of labour relations in the Quebec construction industry, with emphasis on recent developments.

Analyzes the major problems in the system; the extent of its application; its main actors; the question of freedom of association; the bargaining unit; wage parity throughout the province; administration of the system. Discusses emerging trends and outlines an evaluation of the system.

International Conference on Trends in Industrial and Labour Relations, 2d, Montreal, 1976. *International Conference on Trends in Industrial and Labour Relations*, Montreal, Quebec, Canada, May 24-28, 1976. Montreal, Industrial Relations Centre, McGill University, 1977. 584p.

Organization for Economic Cooperation and Development. *The development of industrial relations systems; some implications of Japanese experience.* Paris, 1977. 53p.

Discusses the basic features of Japanese industrial relations — “lifetime” employment, seniority wages and enterprise unionism. Reviews the institutions of the system — unions and employers’ associations; collective bargaining and joint consultation; labour disputes and the role of government and law. Summarizes industrial relations trends in Japan, and considers what other countries might learn from Japan, and vice-versa.

Smith, Trevor R. *From contract to contract; a study of labour relations in Canada*, as told to Diane M. Smith. Toronto, 1977. 71p.

Labour Organization

Roback, Léo. *La syndicalisation sectorielle: pour une solution à l'organisation des non-syndiqués.* Montréal, Institut de recherche appliquée sur le travail, 1977. 61p. (Institut de recherche appliquée sur le travail. Bulletin no. 10)

Productivity of Labour

Brown, Charles. *Trade unions in the production process*, by Charles Brown and James Medoff. Cambridge, Mass., Institute of Economic Research, Harvard University, 1977. 45p.

Econometric analysis presenting production-function estimates of the effect of unionization in U.S. manufacturing. Finds that although union workers are paid more than non-union employees, the former are more productive by a roughly offsetting amount, allowing competition in the same labour market.

Wage Determination

Wilton, David Arthur. *The wage determination process in Canadian manufacturing industries, 1962-1975.* Ottawa, Economic Analysis Directorate, Central Analytical Services Branch, Labour Canada, 1977. 59p.

Re-examines the relationship of negotiated wage changes to the Phillips curve. Finds the Phillips curve rather discouraging for management of the economy through monetary and fiscal policies. Provides evidence that wage “catch-up” and wage “spillovers” have been significant factors in Canadian wage settlements during the 1960's and 1970's.

Women — Employment

Dranoff, Linda Silver. *Women in Canadian law.* Introduction by Rosalie S. Abella. Toronto, Fitzhenry & Whiteside, 1977. 112p.

Historical account of Canadian women's legal status, dealing with women as single persons, wives and mothers; with property, separation and divorce; and with women in the economy.

PRICES, EMPLOYMENT, AND EARNINGS

THE LABOUR MARKET — MARCH 1978

The unemployment rate moved up to a new high of 8.6 per cent in March, after remaining at 8.3 per cent for the previous two months. This increase occurred in spite of a significant rise in employment as the labour force advanced more steeply due to a sharp increase in the participation rate to a new record of 62.4 per cent.

Employment growth continued to be strong. The increase in March brought the first quarter increase to 92,000 (3.8 per cent at annual rate) over the last quarter of 1977. The increase in female employment (69,000 or 7.7 per cent) far exceeded that of male (23,000 or 1.5 per cent).

The unemployment rate moved up for all major age/sex groups. The adult female rate (8.1 per cent) increased 0.4 percentage points following an increase (0.2) in February. The youth unemployment rate rose to 15.1 per cent after two consecutive monthly declines. After remaining at 5.0 per cent for the previous three months, the adult male unemployment rate moved up marginally to 5.1 per cent.

Regionally, the increase in employment in March occurred mainly in the Prairies, (1.0 per cent), Ontario (0.7 per cent) and British Columbia (0.7 per cent). After accelerating strongly in February, employment growth weakened in Quebec (0.2 per cent). The only regional decline occurred in the Atlantic

provinces (- 0.4 per cent). Unemployment rates were higher in all regions except the Prairies (5.3 per cent). In the Atlantic region (13.0 per cent) and Quebec (11.5 per cent) the rates increased in each case by 0.6 percentage points. In Ontario (7.4 per cent) the increase was 0.4 points while in British Columbia (8.5 per cent) the increase was slight — 0.1 point.

The actual number of the unemployed was up to 1,045,000 in March, 101,000 higher than a year ago, as employment (9,680,000) increased by 330,000 or 3.5 per cent and the labour force (10,726,000) increased by 432,000 or 4.2 per cent. As a result, the actual unemployment rate was 9.7 per cent (the highest on record) compared with 9.5 per cent in February and 9.2 per cent in March, 1977.

THE LABOUR MARKET — FEBRUARY 1978

The seasonally adjusted unemployment rate remained unchanged in February at 8.3 per cent. There was a significant growth in employment (68,000 or 0.7 per cent) and a similar growth in the labour force (78,000 or 0.7 per cent) as the participation rate increased 0.4 percentage points to a new record of 62.0 per cent.

All major age/sex groups shared in the growth of employment. The strongest growth was among youths (33,000 or 1.4 per cent)

followed by adult women 27,000 or 1.0 per cent) while adult men increased modestly (8,000 or 0.2 per cent). Regionally, employment growth was strong in British Columbia (1.5 per cent) and Quebec (1.4 per cent) and about the national average in the Atlantic region (0.8 per cent) and the Prairies (0.7 per cent), while in Ontario there was a marginal decline.

The unemployment rate declined marginally for youths (14.8), was unchanged for adult males (5.0) and increased slightly for adult females (7.7). Regionally, unemployment rates declined in the Atlantic region (12.4), Quebec (10.9) and British Columbia (8.4) as employment grew faster than the labour force in all cases. The rates increased in Ontario (7.0) and the Prairies (5.3) as employment growth lagged behind labour force growth in both regions.

The actual unemployment rate was 9.5 per cent in February compared with 9.1 per cent a year ago. This increase occurred as unemployment rose to 1,007,000. The level of employment at 9,577,000 was 287,000 or 3.1 per cent higher than in February 1976. This was the highest annual increase since March 1976.

JOB VACANCIES — FEBRUARY 1978

Preliminary estimates for the three-month period ending February show a decrease in the average number of vacant jobs

from the previous three-month period and from the comparable period a year earlier. Vacancies for full-time, part-time and casual jobs declined 17 per cent to 36,800 from 44,400 vacancies reported in the September-November period. Compared with the three-month period a year ago the number of vacancies decreased by 1,900 or 5 per cent.

Vacancies for full-time jobs decreased by 12 per cent from the preceding period to 33,400. Longer-term vacancies (jobs unfilled for more than four weeks) declined 16 per cent to 11,600.

For every 1,000 existing jobs in the latest three-month period, four were vacant, a decrease of one from both the preceding period and the comparable period a year ago. The highest vacancy rates were observed in Alberta (9 per 1,000) and Manitoba (5 per 1,000). The lowest rate (3 per 1,000) occurred in Newfoundland and New Brunswick.

November, December and January saw the average number of vacant jobs drop from the previous three-month period and from the comparable period a year earlier. Vacancies for full-time, part-time and casual jobs declined 29 per cent to 35,700 from 50,500 in August-October and 5 per cent (2,000) from the three-month period a year ago.

Vacancies for full-time jobs decreased 26 per cent to 32,300 from the preceding period. Vacancies of four weeks and more declined 24 per cent to 11,700.

For every 1,000 existing jobs 4 were vacant, down 2 from August-October (no change from a year ago). Vacancy rates were higher in Alberta (8 per 1,000) and Manitoba (5 per 1,000) with the lowest rate (3 per 1,000) in Newfoundland and New Brunswick.

THE CONSUMER PRICE INDEX — MARCH 1978

The Consumer Price Index increased 1.1 per cent to 170.8 (1971=100) in March from 168.9 in February. It was the largest monthly increase since July 1975. This month's advance was attributable mainly to a substantial increase (1.4 per cent) in food prices along with higher prices for gasoline and fuel oil. On a year-over-year basis, the increase of 8.8 per cent was only 0.1 percentage point higher than in the previous month.

The food index, with a relative importance of 27 per cent, contributed 35 per cent to the latest month-to-month increase. This was due partly to seasonally higher prices for fresh fruits and vegetables and to the extraordinarily higher increase in the prices of meat (2.1 per cent) and poultry (2.6 per cent).

The index for all items excluding food rose 1.1 per cent from the previous month, and a moderate 7.0 per cent from March, 1977. The month-to-month increase was due mainly to increased prices for fuel oil and gasoline. Higher rates for electricity in urban centres (except for many cities in the Atlantic provinces) also had a notable impact on the non-food index.

On a seasonally-adjusted basis, the all-items index advanced 1.2 per cent between February and March. The increase for food products was 1.6 per cent compared with 1.0 per cent for non-food items. The current annual rate of change was up to 8.1 per cent from 6.9 per cent in February.

THE CONSUMER PRICE INDEX — FEBRUARY 1978

The Consumer Price Index advanced 0.7 per cent to 168.9 (1971=100) in February from 167.8

in January. The year-over-year increase was 8.7 per cent compared with 9.0 per cent in the previous month. The food index advanced to 194.3, an increase of 0.7 per cent from January as a result of higher prices for pork, fresh fruits and vegetables, some dairy products, bakery products and soft drinks. Lower prices for beef and poultry partially offset the increase.

The non-food index (160.1) moved up 0.6 per cent: In the main components, housing (169.6) increased 0.6 per cent, clothing (145.3) 0.8 per cent (after declining 1.0 in January), and transportation (158.9) 1.0 per cent. Major contributions by sub-groups were from: fuel and utilities for household operation (1.6 per cent), women's wear (1.7 per cent), and private transportation (1.1 per cent) and automobile purchases (2.3 per cent) due partly to increases in automobile registration fees in three provinces.

EARNINGS AND INCOME — JANUARY 1978

Average weekly earnings for the industrial composite decreased significantly (- 1.4 per cent) between December and January (seasonally adjusted) following a strong advance in December (1.2 per cent). All industry divisions except forestry, which increased, and trade, which remained constant, contributed to the overall decrease.

On an unadjusted basis, average weekly earnings for the industrial composite increased 6.7 per cent to \$255.47 in January from \$154.02 a year ago. After adjustment for price changes, real weekly earnings decreased by 1.8 per cent. In industries: weekly earnings in forestry were up to \$346.92 (an annual increase of 9.7 per cent), mining \$364.21 (7.4 per cent), manufacturing \$273.98 (7.2 per

cent), construction \$365.89 (6.3 per cent), transportation, communication and other utilities \$300.83 (7.3 per cent), trade \$195.41 (7.2 per cent), finance, insurance and real estate \$238.37 (8.0 per cent), and service \$174.93 (4.8 per cent). By regions, the highest increase was in Quebec with weekly earnings up to \$253.78 (8.6 per cent) followed by British Columbia at \$290.27 (6.5 per cent), the Prairie region \$252.83 (6.3 per cent), Ontario \$252.87 (6.3 per cent) and the Atlantic region \$228.54 (5.1 per cent).

Average hourly earnings for the hourly-rated wage-earners in manufacturing declined marginally to \$6.63 (a decrease of 1 cent from December), on a seasonally adjusted basis. There was also a significant drop in the average weekly hours in manufacturing — from 39.2 hours in December to 37.8 hours in January.

Total labour income was estimated at \$9.9 billion in January, an increase of 8.1 per cent from January 1977. Seasonally adjusted wages and salaries decreased \$144.7 million (or - 1.5 per cent) between December and January to \$9.4 billion.

EARNINGS AND INCOME — DECEMBER 1977

Average weekly earnings for the industrial composite increased significantly (1.6 per cent on a seasonally adjusted basis) between November and December 1977. All industry divisions, except finance, insurance and real estate, and all regions contributed to the overall increase.

On an unadjusted basis, average weekly earnings for the industrial composite increased 8.6 per cent to \$254.06 in December from \$233.99 a year ago. In real terms, this amounted to a decrease of 0.3 per cent. The increase in

construction was very steep, 14.7 per cent on a year-over-year basis to \$355.65; manufacturing increased 9.5 per cent (to \$274.04) and mining 7.7 per cent (to \$359.73). Regionally, the highest increase (8.8 per cent) was in Ontario to \$254.41, followed by British Columbia (8.6 per cent) to \$284.67, Quebec (8.6 per cent) to \$249.87, the Prairies (8.0 per cent) to \$249.95 and the Atlantic provinces (7.5 per cent) to \$224.58.

During 1977, earnings in the industrial composite averaged \$250.05 per week, an increase of 9.7 per cent from \$228.03 in 1976. Thus the annual rate of increase has continued to decline from the high of 14.2 per cent in 1975, followed by 12.1 per cent in 1976.

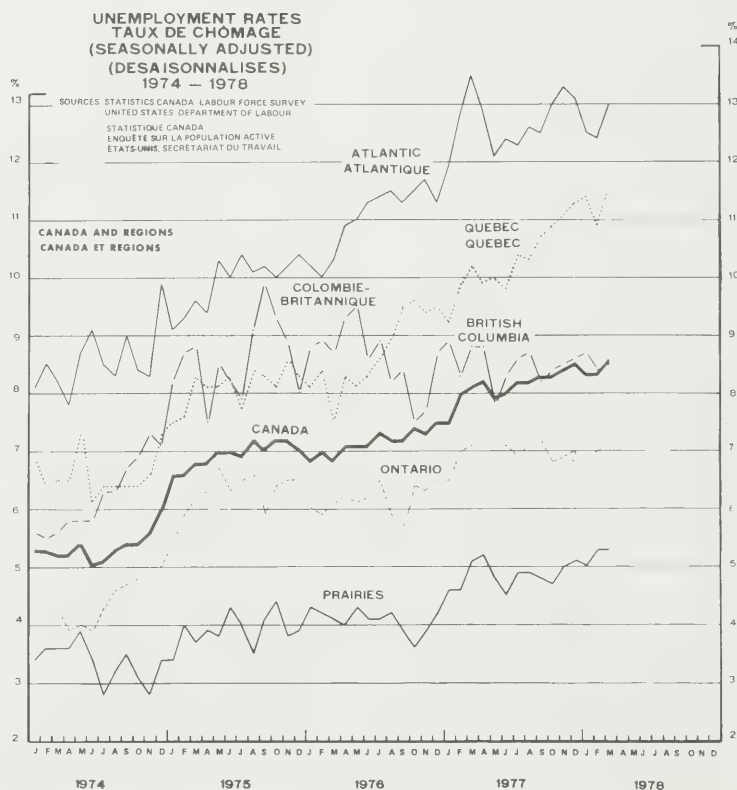
STRIKES AND LOCKOUTS — JANUARY 1978

During January 1978, there were 96 work stoppages, the smallest

number since December 1973. However, the number of workers involved (24,395 and resulting time loss (364,790 man-days) were not significantly different from the previous month (25,758 workers and 353,130 man-days). Compared with January 1977, there were 113 stoppages involving 29,028 workers and resulting in a loss of 219,000 man-days.

In relation to total estimated working time of non-agricultural paid workers, time lost represented 21 man-days per 10,000 man-days worked, as compared with 20 in December. In manufacturing, time lost decreased for six consecutive months and was at 94,610 man-days in January: equivalent to 25 man-days per 10,000 man-days worked.

Under federal jurisdiction, there were 14 work stoppages involving 10,612 workers (43.5 per cent of total) and accounting for 219,810 man-days (60.1 per cent).



labour statistics

LABOUR MARKET

	Seasonally Adjusted					Unadjusted		
	Jan. 1978	Feb. 1978	Mar. 1978	% change ¹		Mar. 1977	Mar. 1978	% Change ²
				Feb. 1978	Mar.			
TOTAL	(numbers in thousands)							
Labour Force	10,757	10,835	10,922	0.7	0.8	10,294	10,726	4.2
Employment	9,866	9,934	9,984	0.7	0.5	9,350	9,680	3.5
Unemployment	891	901	938	1.1	4.1	944	1,045	10.7
Unemployment Rate (%)	8.3	8.3	8.6	—	—	9.2	9.7	—
Participation Rate (%)	61.6	62.0	62.4	—	—	60.1	61.3	—
Both Sexes: 15-24	62.8	63.4	64.1	—	—	59.4	60.4	—
Men:	77.4	77.7	77.9	—	—	76.0	76.3	—
— 25 and over	80.9	80.8	81.0	—	—	80.3	80.5	—
Women:	46.4	46.8	47.3	—	—	44.7	46.7	—
— 25 and over	42.7	43.1	43.6	—	—	41.3	43.6	—
EMPLOYMENT	9,866	9,934	9,984	0.7	0.5	9,350	9,680	3.5
Both Sexes: 15-24	2,433	2,466	2,485	1.4	0.8	2,256	2,303	2.1
Men:	6,144	6,176	6,191	0.5	0.2	5,835	5,955	2.1
— 25 and over	4,823	4,831	4,839	0.2	0.2	4,618	4,727	2.4
Women:	3,722	3,758	3,793	1.0	0.9	3,515	3,725	6.0
— 25 and over	2,610	2,637	2,660	1.0	0.9	2,476	2,651	7.1
Paid Workers	8,831	8,879	8,944	0.5	0.7	8,421	8,675	3.0
— Non-Agriculture	8,704	8,753	8,816	0.6	0.7	8,303	8,574	3.3
In Industries								
Agriculture	456	458	467	0.4	2.0	410	415	1.2
Manufacturing	1,922	1,933	1,951	0.6	0.9	1,869	1,894	1.3
Construction	640	638	628	- 0.3	- 1.6	550	536	- 2.5
Trade	1,706	1,727	1,748	1.2	1.2	1,633	1,715	5.0
Services	2,795	2,801	2,809	0.2	0.3	2,654	2,798	5.4
By Regions								
Atlantic	748	754	751	0.8	- 0.4	679	698	2.8
Quebec	2,503	2,538	2,543	1.4	0.2	2,410	2,464	2.2
Ontario	3,817	3,816	3,842	- 0.0	0.7	3,625	3,750	3.4
Prairies	1,715	1,727	1,744	0.7	1.0	1,608	1,686	4.9
British Columbia	1,079	1,095	1,103	1.5	0.7	1,027	1,082	5.4
UNEMPLOYMENT RATE (%)	8.3	8.3	8.6	—	—	9.2	9.7	—
Both Sexes: 15-24	14.9	14.8	15.1	—	—	15.6	16.5	—
Men:	7.5	7.5	7.7	—	—	8.9	9.4	—
— 25 and over	5.0	5.0	5.1	—	—	6.6	6.8	—
Women:	9.5	9.6	10.0	—	—	9.7	10.3	—
— 25 and over	7.5	7.7	8.1	—	—	7.5	8.4	—
By Regions								
Atlantic	12.5	12.4	13.0	—	—	15.4	15.0	—
Quebec	11.4	10.9	11.5	—	—	11.0	12.5	—
Ontario	6.9	7.0	7.4	—	—	7.9	8.4	—
Prairies	5.0	5.3	5.3	—	—	6.1	6.5	—
British Columbia	8.7	8.4	8.5	—	—	9.3	9.1	—
EMPLOYMENT RATIO	56.5	56.8	57.0	—	—	54.6	55.3	—
Both sexes: 15-24	53.4	54.1	54.4	—	—	50.1	50.4	—
Men:	71.6	71.9	71.9	—	—	69.2	69.2	—
— 25 and over	76.8	76.8	76.8	—	—	75.0	75.0	—
Women:	42.0	42.3	42.6	—	—	40.4	41.8	—
— 25 and over	39.4	39.8	40.0	—	—	38.2	39.9	—

¹Per cent change from previous month.

²Per cent change from previous year.

Source: Statistics Canada, The Labour Force, Cat. No. 71-001.

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1978			% Change From Previous Year			Current Annual Rate of Change		
	Jan.	Feb.	Mar.	Jan.	Feb.	Mar.	Jan.	Feb.	Mar.
All-Items (1971 = 100)	167.8	168.9	170.8	9.0	8.7	8.8	7.7	6.9	8.1
Food "	193.0	194.3	197.0	14.9	13.4	13.9	16.8	13.1	11.7
Total Ex-Food "	159.1	160.1	161.8	6.8	6.9	7.0	4.1	4.6	6.7

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Jan. 1977	Jan. 1978P	% change ¹	Nov. 1977P	Dec. 1977P	Jan. 1978P	% change ² Dec.	Jan.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite (\$ Current)	239.34	255.47	6.7	256.16	259.16	255.60	1.2	- 1.4
Real (\$ 1971)	154.02	151.26	- 1.8	152.78	154.13	151.27	0.9	- 1.9
By Regions:								
Atlantic	217.54	228.54	5.0	226.99	227.91	226.48	0.4	- 0.6
Quebec	233.74	253.78	8.6	251.93	254.80	253.98	1.1	- 0.3
Ontario	237.92	252.87	6.3	255.95	259.53	252.84	1.4	- 2.6
Prairies	237.86	252.83	6.3	251.69	254.94	253.54	1.3	- 0.4
British Columbia	272.59	290.27	6.5	289.03	289.78	291.11	0.3	+ 0.5
Manufacturing:								
Average Weekly Earnings (\$)	255.65	273.98	7.2	273.86	277.53	272.59	1.3	- 1.8
Average Hourly Earnings (\$)	6.11	6.63	8.5	6.58	6.64	6.63	0.9	- 0.2
Average Weekly Hours	38.5	37.8	- 1.8	38.6	39.2	37.8	1.6	- 3.6
Total Labour Income (\$ Million)	9,171.6	9,910.5	8.1	10,112.2	10,306.8	10,152.3	1.9	- 1.5
Wages and Salaries - Total	8,480.4	9,159.6	8.0	9,345.7	9,526.3	9,381.6	1.9	- 1.5
— Manufacturing	1,934.4	2,083.3	7.7	2,110.7	2,131.1	2,129.4	1.0	- 0.1

JOB VACANCIES

	Unadjusted					3 months Ending Feb.	Seasonally Adjusted			
	1977				1977					
	I	II	III	IV	I		II	III	IV	
	(numbers in thousands)									
All categories	39.7	49.7	52.7	35.6	36.8	46.8	47.8	42.9	40.5	
Full-time jobs	35.3	43.2	45.5	30.9	33.4	41.0	41.5	37.4	35.3	
Long-term vacancies	12.4	13.2	15.7	12.1	11.6	13.7	14.4	12.5	13.2	

¹Per cent change from previous year.

²Per cent change from previous month.

PPreliminary.

Source: Statistics Canada, *The Labour Force*, Cat. No. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. No. 72-002. Statistics Canada, *Quarterly Report on Job Vacancies*, Cat. No. 71-002, Statistics Canada, *The Consumer Price Index*, 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

STRIKES AND LOCKOUTS

	1976				1977				1978
	I	II	III	IV	I	II	III	IV	Jan.
(Quarterly averages)									
Strikes and Lockouts:									
— Beginning during month	68	110	73	56	56	74	69	48	48
— Existing during month	172	209	203	143	118	152	155	111	96
Workers Involved	125,271	231,695	112,173	342,621	24,039	36,790	34,813	25,876	24,395
Man-days Lost — Total	610,433	864,817	1,466,900	927,813	200,670	312,263	332,267	257,427	365,720
— Manufacturing	421,673	296,383	501,157	278,540	110,100	207,630	189,653	154,340	94,610
Man-days Lost as a % of									
Estimated Working Time	0.35	0.48	0.79	0.50	0.11	0.17	0.18	0.14	0.21
— Manufacturing	1.08	0.74	1.18	0.67	0.28	0.52	0.46	0.34	0.25

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976	\$2.65	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
	August 1, 1978	\$2.85	
	January 1, 1979	\$3.00	
Prince Edward Island	July 1, 1977	\$2.70	under 18: \$2.35
	July 1, 1978	\$2.75	under 18: \$2.40
Quebec	January 1, 1978	\$3.27	under 18: \$3.07
Saskatchewan	January 31, 1978	\$3.15	no special rates
	June 30, 1978	\$3.25	no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, JANUARY 1978

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976.....	921	1,039	1,570,940	11,609,890	0.55
1977(1).....	739	803	217,557	3,307,880	0.15
1977(1)					
January.....	49	113	29,028	219,000	0.13
February.....	48	111	19,718	175,740	0.11
March.....	71	131	23,372	207,270	0.11
April.....	78	148	38,237	329,350	0.20
May.....	73	152	34,893	299,940	0.16
June.....	71	156	37,241	307,500	0.16
July.....	55	138	38,802	405,760	0.22
August.....	76	153	34,522	345,970	0.17
September.....	75	174	31,114	245,070	0.13
October.....	56	120	19,716	178,300	0.10
November.....	55	113	32,154	240,850	0.13
December.....	32	101	25,758	353,130	0.20
1978(2)					
January.....	48	96	24,395	365,720	0.21

(1) Final

(2) Preliminary

WORK STOPPAGES BY INDUSTRY, JANUARY 1978 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days
		Number	Workers involved	Duration in man-days	
Agriculture.....	0	0	0	0	—
Forestry.....	0	0	0	0	—
Fishing.....	0	0	0	0	—
Mines.....	2	3	368	1,150	—
Manufacturing.....	24	39	9,212	94,610	—
Construction.....	5	8	604	5,580	—
Transp. & Utilities.....	4	14	10,699	222,800	—
Trade.....	5	13	1,817	15,090	—
Finance.....	1	1	26	100	—
Service.....	4	15	1,586	26,300	—
Public Admin.....	3	3	83	90	—
Various industries.....	0	0	0	0	—
TOTAL.....	48	96	24,395	365,720	—

WORK STOPPAGES BY JURISDICTION, JANUARY, 1978 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days
		Number	Workers involved	Duration in man-days	
Nfld.....	1	1	66	50	—
P.E.I.....	0	0	0	0	—
N.S.....	0	0	0	0	—
N.B.....	1	1	257	1,030	—
Quebec.....	15	39	6,439	92,300	—
Ontario.....	20	27	6,022	42,630	—
Manitoba.....	1	1	32	140	—
Saskatchewan.....	2	6	236	1,500	—
Alberta.....	2	4	461	3,180	—
B.C.....	0	3	270	5,080	—
Yukon & N.W.T.....	0	0	0	0	—
Total, provinces.....	42	82	13,783	145,910	—
Federal Public Service(1).....	3	4	89	130	—
Federal Industries(2).....	3	10	10,523	219,680	—
Federal total.....	6	14	10,612	219,810	—
TOTAL.....	48	96	24,395	365,720	—

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1976. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

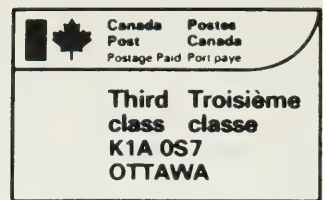
Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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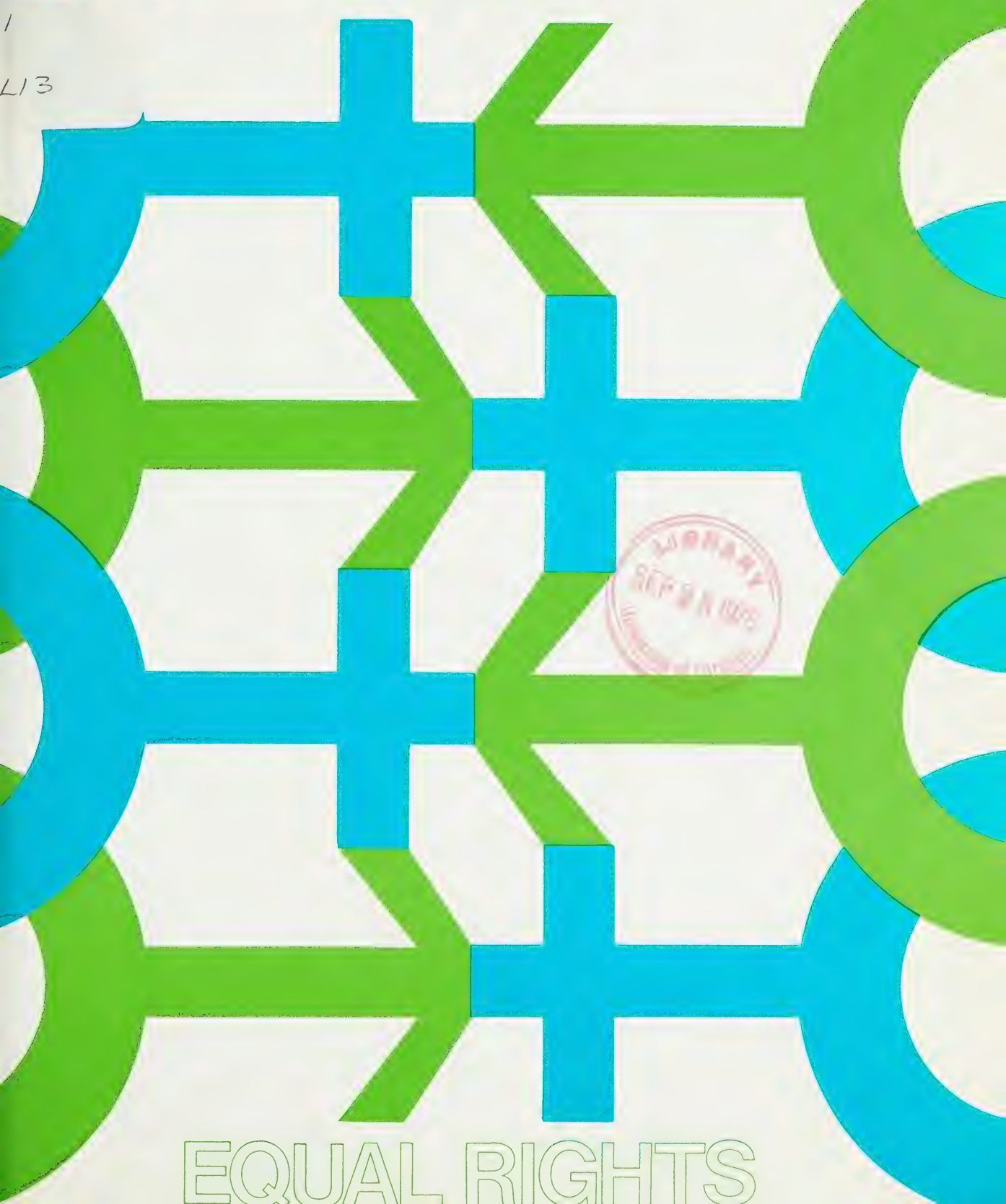
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**Labour
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COMMUNICATION

Perspective on bilingualism

A study released by the C.D. Howe Research Institute concludes that in North America the cost of communicating between English and French people has been borne almost entirely by the French — “a conclusion that holds, whether it is the French who learn the English language or the English who learn French.”

In a 14-page report, entitled “*Bilingualism: an Economic Approach*,” Albert Breton of the Department of Political Economy of the University of Toronto, uses principles of economic theory to analyse language, or communication costs, in a manner similar to that used to treat transportation costs in international trade theory.

According to this theory, when trade takes place between two countries, one of which is so small that it cannot influence prices in the larger country, it follows that the small country carries the entire burden of transportation costs. Dr. Breton argues that in the North American context, the French are in a small enough minority that the small-country case applies to them, and hence it is they who bear the costs of communication.

He also concludes that individuals on the average will become only as proficient in a second language as is necessary to increase their

incomes. Since English is the dominant *lingua franca* in international trade, “The advantage, or rate of return, to learning English for a Frenchman, or a Swede or a German or an Italian far exceeds the rate of return of learning French, Swedish, or German for an Englishman. It is not an accident, but a consequence of rational economic adjustment to one’s environment, that English-speaking people are the most unilingual individuals in the Western world.”

According to the Institute’s research co-ordinator, Gerard Belanger, the study “puts the question of bilingualism in a new perspective and suggests a useful analytical framework for the study of the Quebec labour market and of linguistic policies.”

THE MEDIA

CALM convention

Joe Morris, retiring president of the Canadian Labour Congress, says “distorted” news selection by the media is the reason the public, including many union members, thinks that “unions mean little more than strikes, demonstrations, violence and troubles.” Morris made the statements April 1 in Quebec City at the biennial convention of the Canadian Association of Labour Media, which groups 40 union periodicals with a total circulation of about 1 million.

Morris said unions must publish their own periodicals to inform their members about “all the issues — political, sociological, and economic — that concern them and that the news media fail to cover altogether or cover in a biased, oversimplified manner.”

A very different view was expressed later by Frank Hilliard, labour-management specialist for CBC TV national news, who said coverage of labour by Canada’s TV networks and big city newspapers “is the best you are going to get anywhere in the world. You are lucky to have them.” Hilliard spoke as a member of a “meet the press” panel with three other labour reporters: George Dobie of *The Vancouver Sun*, Warren Beck of CHML radio news, Hamilton, and David Gerzovitz of *The Canadian Press*, Montreal.

Roy LaBerge, another convention speaker, argued that there is “no way” the media can convey a “valid” picture of what organized labour does and what it stands for. A veteran journalist and contributing editor to *The Labour Gazette*, LaBerge teaches social sciences at Algonquin College in Ottawa. “The news media’s job is to report the news, not the day-to-day routine activities of unions,” he said. “What is news? — troubles, strikes, demonstrations, arguments, divisions within unions.”

Most unions, he argued, have no other regular way of communicating directly and immediately with their members except through the union press.

LaBerge's statements were in his report as judge of the Association's first achievement awards competition. Winners included *The Voice*, United Steelworkers of America, Local 7621, Grande Cache, Alta., for best work by a one-person, part-time operation with limited resources; *CPU Journal*, Canadian Paperworkers Union, for best editorials; *Labour Unity*, Amalgamated Clothing & Textile Workers Union, for feature writing; *The Machinist Canada*, International Association of Machinists and Aerospace Workers, for best regular feature; *Algoma Unionist*, USWA Local 2251, Sault Ste. Marie, Ont., for opinion and interpretive writing; *Canadian Interchange*, Brotherhood of Railway, Airline and Steamship Clerks, for best front page; *The Provincial*, B.C. Government Employees Union, for best use of photography, and *Canadian Labour Comment*, CLC, for service to other union periodicals.

Reports to the convention showed that the two-year-old Association has initiated a labour studies course for journalism students in universities and colleges; sponsored workshops on printing and libel; and lobbied, without success, against increases in third-class postal rates.

RETIREMENT

Age raised to 70

President Jimmy Carter signed legislation April 6 that raises the mandatory retirement age from 65 to 70 for most workers in the United States, and abolishes it altogether for most federal employees. As of Jan. 1, 1979, most employers with 20 or more employees will be prohibited from

requiring workers, with some exceptions, to retire before 70 solely because of age. The exceptions are "high policy-making" executive categories.

Colleges and universities will have until July 1, 1982, to bring tenured professors under the age 70 law. Where mandatory retirement is provided for in collective agreements, unions and management will have until Jan. 1, 1980, or until the expiration of the contract, before the law becomes applicable.

The U.S. Department of Labor estimates that only about 200,000 people will take advantage of the new law in the first year. The national trend has been toward earlier retirement.

PENSIONS

Portability problems

The portability of private pension funds — the right of a terminating employee to have the monetary value of his pension transferred to a succeeding plan — is a major unsettled pension reform issue in the United States (and Canada).

The authors of an article in the *Industrial and Labour Relations Review* point out that the question of mandatory portability is now being studied by a Congressional task force. They say there are two basic approaches to implementing mandatory portability and both have technical and mechanical problems that must be solved before they can be implemented.

The first approach utilizes a central clearing-house as a depository for financial assets supporting the pension credits of terminating employees. The second approach

is the tax-free direct transfer of pension fund assets from one qualified pension fund or retirement savings plan to a subsequent arrangement.

Both systems have their problems. If an employer's pension plan is underfunded, a transfer of the assets supporting the vested pension credits of a terminating employee may endanger the fund's adequacy to meet future liabilities created by pension promises to remaining employees. The second problem is the possible benefit fluctuation resulting from transfers between funds that utilize significantly different actuarial assumptions. A third problem involves increased liquidity requirements. When assets may be transferred out of a fund on short notice by a terminating employee, the manager may be forced to invest a larger proportion of the fund's assets in liquid securities.

More workers, less plans

More than 3.9 million workers were covered by private pension plans at the start of 1976, an increase from 3.5 million on Jan. 1, 1974, Statistics Canada reports. Yet the actual number of private plans dropped during the period — from 15,625 to 15,853. Annual contributions by both employers and employees totalled a record \$4.6 billion during 1975, almost triple the 1970 total.

EMPLOYMENT

Options for older workers

Many United States employers are providing older workers with an alternative to either full employment or full retirement, according to an article in the February, 1978

issue of *World of Work Report*. Some firms are offering a slower work pace or part-time work to employees nearing retirement age, the article says.

Of 400 companies responding to a survey by William Mercer Inc., about 25 per cent said they had no mandatory retirement policy for any employee, including the chief executive. However, about 60 per cent still make retirement mandatory at 65. The report adds: "In many industries that have no forced retirement age for hourly employees, the experience is that most employees in fact retire at 65 or earlier, if liberalized pension plans make this an acceptable option."

The report notes that the bulk of U.S. Steel's 150,000 hourly workers retire as soon as they have 30 years service and are eligible for pensions, but for those who choose not to retire "both the company and the union may consult to find less physically demanding jobs as long as worker health is adequate. It quotes C.T. Spivey, vice-president for personnel, as saying U.S. Steel has no problems in finding work for those who stay on and that, in fact, "their productivity is probably greater."

Job posting

According to a Minnesota survey, job posting is more than tacking a notice on the bulletin board. It can interface with other staffing procedures, enhance communication about job opportunities, encourage self-development and reduce external recruitment costs. Two researchers found that hidden skilled employees are "uncovered" and supervisors take a closer look at employees at reviews.

They recommend both transfers

and promotions be posted and that openings should be listed for some specified period before outside recruiting begins. Laid-off employees should have priority and length of company service should be the deciding factor when two equally qualified employees bid for the position.

Job bidders should list qualifications and reasons for requesting a transfer or promotion and supervisors' comments should be optional before the form is filled out. Where initial supervisory approval hasn't been sought, supervisors should make their input immediately after the application has been reviewed.

BUSINESS

Directorship practices examined

A study released by the Conference Board of Canada reports that many directors of corporations in Canada believe that shareholders and the public alike could be better served by boards than they now are.

Susan Peterson, author of *Canadian Directorship Practices: A Critical Self-Examination*, interviewed 50 individuals who serve as outside (non-employee) directors of some 220 of Canada's larger publicly owned companies. They told her that the days of directors who regard their appointments as not much more than pleasing testaments to their wealth or connections, or as signs of acceptance into the inner circle of the business community are waning. There is some evidence that weight given to prestige is weakening and boards are looking for directors with expertise, compatibility and a potential to contribute.

The directors are adamantly opposed to the idea of boards hiring their own professional staff and favour restricting "inside" directors to even fewer seats at the boardroom table.

Boards will have to start meeting more frequently and for longer periods, and some may have to reduce their size in order to be effective. The directors suggested 10 to 12 meetings a year, and anywhere from 10 to 20 members be considered optimum.

Few boards have instituted any system of self-appraisal and several directors feel there is a need for boards to become much more self-conscious about their responsibilities and performance.

Executive also-rans

Herbert T. Mines, president of Business Careers, says his executive recruiting firm has identified the seven principal reasons why 234 candidates failed in their bids for 16 corporate presidencies in the last two years. He lists them as inability to "project a special competence" during interviews; a history of frequent job changes without significant advances in salary or responsibility; appearing to be emotional and subjective and failing to project objectivity; over-aggressiveness or verbosity; lack of clarity in expressing views; too much criticism of past employers, and poor dress or grooming.

Survey of women executives

A survey of women executives in the United States found that their working hours increased as their salaries rose. Women earning under \$20,000 a year averaged 44½ hours work a week, those in the \$20,000-\$39,999 range worked 48 hours a week and those earning

\$40,000 and over averaged 57 hours a week.

The consultant firm of Heidrick and Struggles surveyed 325 women officers of the leading 1,000 industrial organizations and the 50 leading non-industrial organizations in the U.S. Fifty per cent of the women were corporate secretaries or assistant secretaries, and two thirds had risen from clerical positions.

The typical woman officer was at least 50 years old, had no university degree and earned under \$30,000 a year. In contrast, the average male officer was in his 40s, was a university graduate and earned \$50,000 or more.

However, a survey by *Business Week* found that although women executives' salaries, on average, are about 25 per cent lower than those of men in comparable jobs, recent graduates of business schools and young managers with several years experience have achieved pay parity with their male counterparts. Women executives who started their careers more than 7 to 10 years ago, when lower pay was traditional, still lag far behind, *Business Week* reports.

LEGISLATION

Labour code amended

Parliament has passed major amendments to the Canada Labour Code which extend to unorganized workers and managerial employees some benefits now available only in collective agreements.

The amendments, which affect more than 500,000 employees in federally regulated industries and services, provide for joint employer-employee safety commit-

tees in workplaces and give employees the right to refuse work under conditions which they consider to "pose imminent personal danger." They also eliminate pregnancy as a cause for layoff or dismissal, provide employees with basic job protection during extended periods of sickness, add Boxing Day to make a total of nine statutory holidays, and extend protection against unjust firing, with the right to appeal, except in the case of management employees.

The amendments also aim at improving collective bargaining and grievance arbitration procedures, and give the Canada Labour Relations Board more discretion to order representation votes. They also attempt to remove "administrative obstacles" to certification of councils of trade unions so as to facilitate broader-based bargaining unions.

Social audits

Legislation on "bilan social" — or social balance sheets — approved by France's National Assembly last June, is in effect this year. By January 1979, companies with 750 employees or more will be required to publish information on salary levels, other wage costs, safety, training and general conditions of employment, all supported by statistical data. Both works councils and the unions are to see drafts of the social balance sheets, and may demand changes. The finalized balance sheets go to the local labour ministry inspectors, the shareholders and the employees and are to include the works councils' comments. In 1982, the legislation will extend to companies employing 300 persons.

West German dismissal law

The West German government has taken a major step toward

adapting its legislation to meet guidelines on dismissals laid down by the European Community. A draft law, passed by the government and published by the Deutscher Bundestag (the German Federal Parliament) would make it compulsory for companies to inform the employment office if they intend to dismiss a specific number of employees, and to consult works councils well in advance to try to avoid, or at least limit, dismissals. Companies with between 20 and 60 employees would be forced to register planned dismissals of more than five persons, and companies with between 60 and 500 employees would be required to take these actions if they planned 25 or more dismissals.

EMPLOYEE EARNINGS

Disparity grows

The poorest workers have a tendency to become impoverished over the years while the wealthiest workers become even wealthier, according to a report from the Centre des Services Sociaux du Montréal Métropolitain.

The analysis of 1974 statistics gathered from 1,539 Montrealers shows that workers in factory and manual service jobs averaged the same or less real income in 1974 than in 1955. Those who took in less than \$100 a week in 1974 found themselves with 25.6 per cent fewer real dollars than they had in 1965. Those who earned from \$100 to \$199 a week in 1974 were earning about the same as they had a decade earlier.

The study concludes that low-wage earners work under worse conditions than the higher-paid and end up with more health problems. According to the report,

75 per cent of those on unemployment and welfare had previously worked in jobs which offered relatively the poorest working conditions. The workers, whose average age is 40 were reduced to welfare and unemployment because "their labour power was sapped."

EMPLOYEE COMPENSATION

Supervisors' overtime

Some supervisors resent the fact that, while they do not receive premium rates for overtime worked, their subordinates who do, sometimes earn more than the supervisors. This is one of the findings of a 744-company survey conducted by Joseph Tajonar, associate director of the American Management Associations (AMA). Tajonar found that only one-half the companies give supervisors extra pay for hours worked in excess of their regular work week, and that in most cases the rates are less than the time-and-one-half paid to their subordinates who are members of collective bargaining units. Many provide supervisors with other benefits such as time off for personal business, a company car, free parking, better health and insurance plans, and longer vacations.

INDUSTRIAL RELATIONS

Commission to study broader-based bargaining

The Canada Department of Labour has established an inquiry commission to study the advantages and disadvantages of wider-based bargaining in the federal jurisdiction, particularly in transportation, grain handling and

communication. Its members are Professor Frances Bairstow, director of McGill University's Industrial Relations Centre; William Mahoney, a member of the Canada Labour Relations Council and former national director in Canada of the United Steelworkers of America, and Murrey Dubinsky, president of Administrative Consultants Ltd., Calgary, an experienced negotiator, mediator and arbitrator.

THE WORKPLACE

VW's innovations boost productivity

Basic changes in both employee compensation and work organization have reduced absenteeism and boosted productivity at Volkswagen auto repair shops in Stockholm, Sweden. The changes were initiated in 1970 at the company's repair facility in Bolidenplan, which had shown an annual turnover rate of 60 per cent a year for its shop mechanics. By the Spring of 1975, they had been adopted by all 14 shops in the area.

The mechanics previously had been paid an individual piece rate, but this was changed to a monthly salary coupled with a productivity-based bonus split equally among all employees of an individual facility. The bonus was based on the sales value of approved work, sale of spare parts and accessories, and labour productivity during the previous month. The salary factor now works out to about 75 per cent of workers' total pay.

Work was distributed among four independent repair teams operating more or less autonomously as small work shops within a larger

group. This changed the role of the foreman who now became the manager of a small working team. While the other 13 shops have adopted the compensation plan initiated at the Bolidenplan shop, some have had to moderate the work organizational aspects according to their particular needs.

The employee turnover rate at Bolidenplan has dropped from above 60 per cent annually to 10 per cent in five years, while the rate for all 14 facilities has declined from 50 per cent to 30 per cent. Employees have more opportunities to communicate with one another and with management and both productivity and profits have increased as a result.

Nurses' prime concerns

Issues of professional concern such as education and workload may be more frequent matters for nurses' collective bargaining than in the past, an Ontario study suggests. Dr. Allen Ponak, now a member of the Faculty of Commerce at the University of British Columbia, surveyed 500 nurses in Ottawa, asking how they rated 13 goals in relative importance. The list included both "professional" concerns and traditional bargaining objectives such as salaries, fringe benefits and hours of work. The goal most frequently ranked first was improved hospital in-service education for nurses, while salary increases most frequently were ranked last...The survey also found that the more a nurse is involved in union activity the more likely he or she is to perceive professional goals as important.

Policy priority in W. Germany

A Federal Republic of Germany social report shows that one of every nine workers is not satisfied

with conditions at work. Partly skilled and unskilled workers criticized the hectic atmosphere, pressure of time, disturbing environment factors such as dirt, dust and bad air. They placed much emphasis on work content — variety, fulfillment, prestige and prospects for advancement.

In recent years, humanization of working life has evolved into a main priority of social policy in Germany. Protection against accidents and occupational disease, adaption of apparatus, tools and machines to the individual, reduction of negative environmental influences, efforts to remove physical and physic stresses, and reform of work organization to promote employee sharing are all the basis of major pieces of legislation and research.

Researchers are studying the effects of shift and night work and the elimination of heavy work and monotonous short-cycle work. Employers are obliged to employ safety engineers and company doctors trained in industrial medicine. In two major companies, the conveyor belt has been either completely or partially abolished in favor of workplaces.

WORKING TIME

Vancouver police prefer four-day week

A recent poll found all 40 members of West Vancouver's police patrol division in favour of the four-day week, 12-hour shift schedule introduced as an experiment in the Spring of 1977. The police officers work shifts that change at 7 a.m.

and 7 p.m. The normal cycle is two nights, 24 hours off, two days, four days off. The police officers found this less disruptive to sleep and family life than their previous eight-hour shifts based on a five-day week under which they sometimes had to work seven consecutive days. Four-day work weeks have also been used experimentally by police forces in Calgary and Laval, Quebec. The Montreal Urban Community and its police union have reached agreement on a modified four-day week schedule to go into effect Sept. 24, 1978.

PRODUCTIVITY

U.S. and Canadian accountants compared

Canadian chartered accountants may be less productive than those in the United States, according to a recent address by Gordon H. Cowperthwaite, president of the Canadian Institute of Chartered Accountants. He told the Vancouver Board of Trade he has reason to believe that the output of the average Canadian chartered accountant is as much as 20 per cent below "that of our certified public accountant colleagues" in the U.S. Yet Canadian chartered accountants want similar compensation for their work. He said one reason for lower Canadian productivity is more time off in this country. Another is the complexity of some of the work required in Canada, especially the "convoluted and complicated" provisions of the Income Tax Act. He said Statistics Canada needs 76 pages of fine type to list "just the names of our principal taxes."

INDUSTRIAL DEMOCRACY


UK post office experiment

Britain's post office has launched a two-year experiment in industrial democracy, with a 19-member board of directors made up of seven directors representing unions, seven representing management and five "independent" directors, two of whom represent consumers.

EEC moves toward unified approach

Both employer and trade union representatives in the European Economic Community (EEC) have given approval to the principle of worker participation in the Community based upon discussion of the Commission's Green Paper of 1975.

The representatives voted unanimously in favour of two measures they considered should be included in any future Community directive. There should be the introduction of the two-tier board system as an option where it is not available at present. A special body for employee representation with minimum information and consulting rights should be established in large companies where there is no employee representation at board level.

The EEC has been waiting for the representatives' opinion of the Green Paper prior to proposing any new initiatives on participation, which is the key element in plans to establish a common system of company law within the Community. 

Discrimination in employment: legal approaches are limited

by Harish C. Jain

The anti-discrimination aspects of the new Canadian Human Rights Act are a substantial achievement in both the equal-employment and equal-pay areas. The provisions of the Act reflect some of the best features of the relevant U.S. and British legislation.

Under the Canadian Act, the prohibited grounds for discrimination in employment include race, national or ethnic origin, colour, religion, age, sex or marital status, conviction for an offence for which a pardon has been granted, and discriminatory employment practices based on physical handicap.

The federal government restricted efforts to extend the grounds of prohibited discrimination to such matters as mental handicap, sexual orientation and political affiliation. The last ground (political opinion or belief) exists in the case of the human rights legislation of several provinces. The theory was to avoid overburdening the Canadian Human Rights Commission in its initial activities.

Unlike the U.S. and the provincial laws in Canada, which require equal pay for equal work, the federal legislation requires equal pay for work of *equal value* (consistent with ILO Convention 100), without discrimination on the basis of sex.

The federal Act also includes the provision against indirect discrimination borrowed from U.S. case law and British anti-discrimination

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legislation. This provision was urged by the Canadian Advisory Council on the Status of Women. The Council, citing the British legislation, suggested that accidental (indirect) discrimination occurs when an employment requirement or condition, though applied equally to males and females, is such that the proportion of women who can comply with it is considerably smaller than the proportion of men, and vice versa, such as the minimum height or weight requirement which would prevent most women from obtaining that type of employment. Originally, the concept of indirect discrimination was articulated by the U.S. Supreme Court in the *Griggs v. Duke Power Company* case in 1971. In this case, the Court struck down employment tests and educational requirements that screened out a greater proportion of blacks than whites because the tests were not related to the jobs in question.

Unlike the U.S. and the provincial laws in Canada, which require equal pay for equal work, the federal legislation requires equal pay for work of equal value

The Canadian Human Rights Commission (CHRC), unlike provincial commissions which report to a minister, will report directly to Parliament. It will be able to investigate complaints about discrimination as well as to initiate complaints on its own. The intention is to solve problems of discrimination in a conciliatory fashion with recourse to a Human Rights Tribunal. A decision of the Tribunal can be appealed in the federal courts.

This paper describes and analyzes the provision of affirmative-action programs in federal legislation and compares Canadian and U.S. legislation, evaluates — where possible — their effectiveness, and draws their implications for Canada.

One of the important features of the federal Act is its provision of affirmative-action programs borrowed directly from pertinent U.S. legislation. Affirmative action is a deliberate, structured approach to improving work opportunities for minority groups and women. This approach involves a series of positive steps undertaken by employers to remove barriers to employment and to achieve measurable improvement in recruiting, hiring, training and promoting qualified workers who have in the past been denied access to certain jobs.

Several provincial laws also allow for special or affirmative-action programs, which promote the interests of minorities and provide training for women, native people



"This is a democratic firm, Hazel — they mistreat everyone without regard to race, creed, color or sex"

and others, in order to increase the supply of qualified minority and women workers.

The CHRC is authorized to encourage affirmative-action programs, to give out information about them, to promote their use and to "make clear legal rulings as to their legality and determine that they are not discriminatory programs in themselves," according to Ron Basford, Minister of Justice and Attorney General of Canada. In addition, Basford stated, the Commission could give approval of an affirmative-action program in advance and that approval is binding.

If there is actual proof of discrimination, the Human Rights Tribunal can order an affirmative-action program. Otherwise, the programs are intended to be voluntary and on the initiative of employers.

Affirmative-action programs have existed for some time in the United States, but Canadian experience with these programs is of recent vintage. It might be useful to examine the American experience with these programs in order to draw their implications for Canada and to avoid repeating the

The intention is to solve problems of discrimination in a conciliatory fashion with recourse to a Human Rights Tribunal

mistakes of that country. In the United States, Title VII of the Civil Rights Act of 1964, as amended in 1972, prohibits discrimination in employment because of colour, religion, sex, or national origin among other grounds. Title VII applies to employers, unions, employment agencies and joint

labour-management committees controlling apprenticeship or other training programs. It is administered by the Equal Employment Opportunity Commission (EEOC).

In addition to Title VII of the Civil Rights Act, Presidential Executive Orders also prohibit discrimination in employment. The term *affirmative action* was first used in the Executive Orders, for instance, Order No. 10925 issued by President Kennedy.

The Executive Orders require affirmative action on the part of federal contractors and federally assisted construction contractors. These Orders are administered by the Office of Federal Contract Compliance (OFCC). The requirement to take affirmative action, involving contractors with 50 or more employees and a contract of \$50,000 or more, means the setting of goals and timetables for minority employment in job categories where women and minorities have been under-utilized.

The guidelines issued by the Department of Labor on December 4, 1971 state: "An acceptable affirmative-action program must include an analysis of areas within which the contractor is deficient in the utilization of minority groups and women, and further, goals and timetables to which the contractor's good faith efforts must be directed to correct the deficiencies and, thus to increase materially the utilization of minorities and women, at all levels in all segments of his work force where deficiencies exist." Furthermore, the guidelines state that under-utilization is defined as "having fewer minorities or women in a particular job classification than would reasonably be expected by their availability..." (41, C.F.R., 60-2.11.)

The numerical goals, according to

the U.S. Department of Labor, where the OFCC is located, should be significant, measurable, attainable, and specific for planned results; failure to develop and implement an acceptable affirmative-action program within a specified time could result in the cancellation or termination of existing contracts. It is estimated that at least a third of the U.S. work force is employed in enterprises involved in some way with government contracts.

Apart from the requirements under Executive Orders, employers may become involved with affirmative-action programs in any of the following ways:

- An employer may voluntarily develop a plan.
- An employer may undertake a plan as part of a conciliation agreement with a federal agency (such as the EEOC), or with a state enforcement agency, or as part of a private settlement of a suit or a charge.
- Courts may impose an affirmative-action plan including numerical goals, as a remedy for discrimination when conciliation or attempts at out-of-court settlements fail.

In enforcing the anti-discrimination legislation, the courts can and have provided for drastic remedies, including back pay, hiring quotas, reinstatement of employees, abolition of testing programs, creation of special recruitment or training programs, and other measures.

Thus, federally required programs of affirmative action, involving job quotas that favour minorities, have made minority hiring, training and promotion explicit goals of major corporations. Consent decrees (i.e., out-of-court settlements granted judicial approval and protection by courts) have been

made by private companies. One such firm is the American Telephone and Telegraph Company (AT&T). The AT&T settlement was the largest ever made in the U.S., and it was negotiated and signed by the company, the OFCC and the EEOC. It covers all AT&T's 24 operating companies and 700 establishments within the Bell system. It is a landmark case since it demonstrates what an affirmative action program via court settlement actually means in terms of statistical goals and timetables for a large private employer (with 771,000 people), and the largest employer of women — 401,000 or 52 per cent of AT&T's work force.

The federal and provincial human rights legislation stresses the voluntary aspects of affirmative-action programs

Prior to the settlement, the vast majority of employees at AT&T worked in sex-segregated job classifications. For example, in the Bell system, males constituted 98.6 per cent of all AT&T craft workers on December 31, 1971, while 96.6 per cent of all office and clerical employees were women. After two years of public hearings and negotiations, the settlement of 1973 included an undertaking by the company to make immediate lump sum back payments amounting to \$38 million to 13,000 women and 2,000 men who claimed to be victims of discrimination, and \$23 million in immediate pay increases to 36,000 employees because of allegations of prior discrimination (the company did not admit to any discrimination in agreeing to the settlement) in job placement. In addition, AT&T agreed to future wage increases expected to amount to \$200 million for the six-year decree, ending in 1979.

Specific remedial steps for upgrading all qualified college-trained women were also included.

The unions attacked AT&T's 1973 consent decree on the ground that the decree's "affirmative action override,"** conflicted with provisions in their collective agreements with the company concerning competitive seniority in transfer and promotion. The U.S. Court of Appeals for the Third Circuit rejected this contention, as well as the union's arguments that the decree is inconsistent with Title VII and the Due Process Clause of the Fifth Amendment. The unions will probably appeal to the U.S. Supreme Court.

AT&T has been able to meet most of its numerical targets by aggressive recruitment, training, and development of women and minorities and by holding managers accountable "for meeting EEO (equal employment opportunity) goals and for giving equal weight to EEO as to other business objectives" (*World of Work Report*, May 1977).

In fact, quotas have become commonplace in court orders or court-sanctioned consent decrees, such as the AT&T settlement. While employers can only set goals and not adopt a quota system of hiring women and minorities as a method of satisfying affirmative-action plans, a court can order a company to adopt a quota system. Goals are voluntary while quotas are mandatory. Moreover, courts have ordered companies to give women and minority employees seniority credit for the time they have been discriminatorily denied employment. For instance, in one case

*This allows the company to override a candidate with greater seniority and higher qualifications and to promote a basically qualified person in order to meet annual targets on the way to attaining a long-range goal.

(*Franks v. Bowman Transportation Company*), the Supreme Court declared that applicants, who were subsequently hired, should be given retroactive seniority, back to the date of their application for work.

These actions by the courts and the enforcement agencies have led some critics to charge that affirmative-action programs in the United States have either led to or have the potential for reverse discrimination against white males. For instance, according to a report in *Business Week*, July 25, 1977, "the tide of public sentiment seems to be turning against aggressive affirmative-action programs on the ground that they lead to reverse discrimination."

The most serious charge levelled against affirmative-action programs is that of preferential treatment of minorities and women. It is claimed, for instance, that in their eagerness to fill established quotas, companies have hired unqualified persons within the specified women and minorities groups. The recent case

of *Bakke v. University of California* before the Supreme Court of the United States is expected to test this issue. In this case the Court is expected to decide whether a white male medical school applicant suffers a violation of his rights if he is kept out under a preferential system for minorities. Bakke has charged that he would have been admitted had there not been a special committee dealing with the admission of minority students — students who were less qualified, he argued, than he was. Since this case does not involve Title VII of the Civil Rights Act, the decision by the Supreme Court may have limited impact in the areas of employment and affirmative action.

Other objections include the cost of mounting an affirmative-action program, the unions' dissatisfaction with the court-ordered and the EEOC and the OFCC negotiated affirmative-action override of collectively bargained seniority rights, and "the creation of fixed ethnic-racial categories, the danger of freezing them, and the danger of their spreading," according to

Nathan Glazer in his book *Affirmative Discrimination: Ethnic Inequality and Public Policy*.

Government agencies and others in favour of affirmative-action programs have defended them on the grounds of (a) "institutional racism," since the requirement of a high school diploma, or a grade in a test is often unrelated to the job and disproportionately affects blacks and other minorities; and (b) past discrimination. They contend that: (1) the aim of numerical goals is not punitive and employers are not required to fire anyone; (2) goals do not constitute preference when undertaken to remedy past discriminatory practices; (3) they (goals) do not require employers to give preferences to minorities and women. Instead, they require employers to end giving preference to majority (white) males; and (4) the obligation to meet the numerical goal is not absolute. The employer must be able to demonstrate (when unable to meet the goal) good faith efforts to recruit minorities and women; that job criteria were job related; and that the criteria were equally applied to all workers.

The current controversy in the United States over the use of quotas as opposed to the more flexible numerical goals can assist Canadian policy-makers, both at the federal and the provincial level, in avoiding the mistakes made in the United States and in drawing some lessons for Canada.

Federal and provincial human rights legislation stresses the voluntary aspects of affirmative-action programs. In other words, employers in the public and private sectors are encouraged to set up goals voluntarily in order to recruit, train and promote women and minorities. The federal Act makes a provision for a mandatory

Toronto Star Syndicate



"The usual rules, girls? Ace, queen, king, jack . . ."

affirmative-action program to be ordered by a Tribunal only if there is actual proof of discrimination. The Charter of the French Language (Bill 101) enacted in Quebec is the only legislation in Canada that comes close to requiring mandatory affirmative action on the part of employers via its requirements of francization certificates.

In the provinces, the mandatory affirmative-action programs have been used rarely and only in cases where the employer's discriminatory actions have been blatant. In such cases, affirmative-action programs have been used as only one of the several remedies. This is because the Human Rights Commissions in Canada have concentrated on conciliation and on effectuating a satisfactory settlement.

There is some evidence that the voluntary approach to affirmative-action programs is encouraging at least some employers to establish special programs to provide and accelerate training and promotional opportunities for women. These employers include the federal and Ontario governments, and several large Canadian business organizations such as the Royal Bank of Canada, Canadian National and Bell Canada. The Women's Bureau in Ontario has been providing consultative services to employers.

Despite these voluntary programs, some critics have charged that the majority of Canadian organizations have taken little or no affirmative action for women. In an article entitled, "Affirmative action: a sadly passive event," for instance, Joy Moore and Frank Laverty have criticized the human rights legislation in Canada for its insufficient clout in stimulating affirmative-action programs. They go on to comment that unless corporations

take positive action, "we expect more explicit legislation which will lead to increased sex bias complaints, legal suits, fines, compensatory settlements and forced rather than suggested affirmative-action programs." (*Business Quarterly*, Autumn 1976.)

In our opinion, legal remedies are only a partial answer to eliminating institutional discrimination in employment; legislation is necessary but not sufficient. For instance, empirical studies suggest that the employment effects of affirmative-action programs in the U.S. were positive but quantitatively small and that the effect in terms of relative occupational position was negligible.

Employers should be eligible to seek government funding to cover a substantial portion of the wages and salaries of women and minority employees in a systematic career-development program

Legal approaches are limited because they operate only on the demand side of the problem (i.e., institutional or employer side) and do little to change supply. For instance, consider the assertion of an EEOC case "...it is absolutely clear that blacks are not randomly distributed in all jobs." The case goes on to assert, "...a substantial underrepresentation of women or minorities in certain job categories manifestly cannot be attributed to their lack of skill. In the absence of discrimination, one would expect a nearly random distribution of women and minorities in all jobs." This is an oversimplification, to say the least, since it assumes a ready supply of qualified women and minorities and implies that equality of opportunity

is the same thing as equality of representation. Education and training of minorities and women for professional and managerial jobs require lead time. Thus, the lowering of racial and sexual barriers does not in itself ensure a supply of qualified people to take advantage of new opportunities. While employers, unions and other institutions can be compelled to stop discrimination against minorities and women, they cannot be compelled to recruit them actively or to train them. This is true despite the monumental legal efforts in the United States. The evolution of law and legal principles is a slow process; the case-by-case approach adopted thus far in Canada and the U.S. (in seniority cases, for example) illustrates this point.

Certain conclusions can be drawn from this discussion. These are:

1. The Department of Employment and Immigration should review its manpower training programs with a view to funding training in industry for women and minorities.
2. Employers should be encouraged to develop affirmative-action programs with active consultative assistance and guidelines from federal and provincial human rights commissions and other relevant agencies such as Women's Bureaus.
3. Employers should be eligible to seek government funding to cover a substantial portion of the wages and salaries of women and minority employees in a systematic career-development program.
4. Language training and other types of assistance should be extended by human rights commissions to immigrants and others who may and do suffer exploitation in terms of wages and working conditions. [g]

Equal pay and equal opportunity — Part 2*

by Christine Fisher

One minor but intriguing aspect of this international conference on equal pay and equal opportunity** was the way in which the speakers reflected the national image of their countries. Britain's Baroness Seear, *une femme d'un certain âge*, appeared aristocratic and gracious, with a whimsical sense of humour, beneath which lay an uncompromising foundation of common sense, and a firm grasp of the problems. Of the Americans, Donald Elisburg was brisk, concise, urbane and optimistic; Issie Jenkins, a former national vice-president of the National Council of Negro Women, was earnest and obviously deeply committed, although less optimistic than her colleague. The Canadian speakers, who were generally younger than their British and American counterparts, were intelligent, well-informed, and seemed determined to find a compromise between Britain's somewhat nonchalant attitude and America's battering-ram approach toward equality in the work force.

Reporting on the development and implementation of the Equal Pay Act of 1968, Donald Elisburg, assistant secretary for employment standards with the U.S. Department of Labor, told delegates that the Equal Pay Act prohibits covered employers from paying employees "of one sex at a

rate below that paid to employees of the other sex for equal work on jobs requiring equal skill, effort and responsibility which are performed under similar working conditions. Employers paying an illegal wage-rate differential are prohibited from reducing the wages of any employee to achieve compliance. Exceptions are permitted where differentials are due to application of a bona fide seniority system, merit system, or system which measures earnings by quality or quantity of production, or any other factor other than sex. However, if the wage differentials are in any way based on sex, they are illegal and cannot be legitimized by these exceptions."

"...litigation has been an extremely important aspect of implementing the equal-pay principle"

When passed in 1963, the equal-pay provision affected 30 million non-supervisory workers in a variety of industries. These included manufacturing, transportation, public utilities, communications, insurance, finance and real estate, wholesale trade, and, to some extent retailing and services. Subsequently, amendments have extended equal-pay coverage to substantial numbers of workers.

"As a result of Fair Labor Standards Act amendments in 1966 and 1974," Elisburg said, "equal-pay coverage was extended to a

number of areas in which the employment of women is concentrated.

"In 1966, about nine million workers were affected in schools, hospitals, nursing homes, laundries, dry cleaning establishments, retail trade, and on large farms.

"In 1974, coverage was extended to public employees at the state and local levels, as well as the federal. Also, in 1972, a provision in education legislation extended equal-pay coverage to approximately 14 million additional employees — primarily professional, administrative, and executive employees — who are exempted from the minimum wage and overtime provisions of the Fair Labor Standards Act. This action is especially important for assuring that promotional opportunities for women are accompanied by equal pay.

"As a result of these extensions in equal-pay coverage and growth in our economy, there are now more than 75 million workers covered by federal equal pay protection in the United States."

Because equal pay protection was linked to the Fair Labor Standards Act as an amendment to the section which sets minimum wage requirements, much litigation was avoided by the use of established FLSA definitions. Also, the use of labour department personnel already experienced in investigating pay practices eliminated the

*Part I appeared in the June 1978 number of *The Labour Gazette*.
**The conference, sponsored by the Women's Bureau of the Ontario Ministry of Labour, was held last January in Toronto.

cost of setting up a new administrative agency and assured a degree of acceptance by employers.

Elisburg explained how the law is enforced: "Either upon receipt of a specific complaint from an individual or as part of a general wage-hour investigation, the Labor Department's wage-hour compliance officers have broad investigative authority to examine employers' records, and to interview employees. If an equal-pay violation is discovered, the employer is requested to eliminate the discriminatory practice by raising the lower wage of the aggrieved sex to the higher wage of the opposite sex and also to pay back wages computed to be due.

...the gap between men's median earnings and women's has grown... due largely to the continuing predominance of women in low-paid occupations

"In the majority of cases the employer complies voluntarily when violation of the Equal Pay Act is brought to his attention. When he does not, the matter is transmitted to the appropriate regional solicitor of the Labor Department if the case is suitable for litigation. The solicitor then may seek remedial action through the courts. He or she can sue — on behalf of the Secretary of Labor — to obtain compliance and recover the back wages due the employees. The solicitor may also seek liquidated damages in the amount of back wages due.

"The individual employee who feels himself or herself aggrieved also has the right to sue the employer for back pay and an additional sum, up to the amount of back pay, as damages, plus attorney's fees and court costs.

...charges of reverse discrimination, usually made by white males...hamper the progress of voluntary compliance...

This right, however, is terminated if the Department institutes a suit involving the employee."

How have American workers responded to the legislation? According to Elisburg, "since 1963 there have been thousands of complaints alleging violations of the Equal Pay Act, and investigations have disclosed more than \$150 million in wage underpayments in violation of the equal pay provisions of the FLSA, involving approximately 260,000 employees. During the 1977 fiscal year alone, the Department of Labor contended that almost \$16 million was owed to more than 19,000 employees because of equal-pay violations, and \$7 million was actually restored to about 13,000 workers.

"The fact that the total amount recovered by the Department is less than the amount contended due to employees is largely because of disagreements between the Department of Labor and employers as to whether violations have occurred as well as to the amounts due because of such violations, and the courts have not always accepted the Department's view of what constitutes "equal" work and how much money is due. Nevertheless, the Department has generally been successful in persuading the courts to adopt its view of the law in the approximately 1,000 equal-pay cases filed since the Act went into effect in 1964. This litigation has been extremely important in building a body of law which — once established — facilitates voluntary compliance. Extensions of coverage and the fact that lawyers

continuously devise novel defenses continue to make litigation an important aspect of implementing the equal-pay principle."

One case of particular interest, that of the *Wheaton Glass Company*, established several very important legal principles which have been followed by other courts in the many decisions that have been handed down since 1970:

- The "equal work" standard requires only that the compared jobs be "substantially equal," not identical. Small differences in job content will not make jobs unequal.
- Once the Secretary of Labor (or a private plaintiff in a private suit) has shown that a wage differential exists between men and women doing substantially equal work, the burden falls on the employer to prove, if he can, that the differential is explained by some factor other than sex.
- Where some but not all of the members of one sex perform significant extra duties in their jobs, these extra duties do not justify giving all members of that sex a higher wage. Only those employees performing the extra duties are entitled to the higher wage.
- The fact that most men may be able to perform some heavy lifting or other duties that women are deemed unable to perform is in itself not of such economic value that it would be a "factor other than sex" which would justify a higher male wage rate. In order to justify a higher male rate, the employer must prove the alleged advantage in specific dollar and cents terms, and the extra duties must have been offered to women on the same terms as the men.



- An employer's classifications and job descriptions are totally irrelevant to showing that work is unequal unless they accurately reflect actual job content.

Elisburg gave several examples of how the courts have defined equality in terms of skill, effort and responsibility. One involved the popular claim that men warrant higher pay because they do heavy lifting. In a case involving the *American Can Company*, Elisburg said, "The male machine operators' duties were virtually identical to the female operators' duties for 93 to 98 per cent of the males' work time. The men, but not the women, moved heavy rolls of paper a few feet and then loaded them onto machines either manually or mechanically. Because of the infrequency of that exertion, the U.S. Court of Appeals in Saint-

Louis ruled that the men's handling and loading functions did not involve substantially additional effort. Moreover, the court buttressed its opinion by pointing out that, although the male operators exerted varying degrees of physical effort, no wage differential existed among them."

"...the entire explanation for women's labour force patterns cannot be found in the form of barriers in the labour force alone"

In another significant case, the court ruled that the mental concentration required of women operating potentially dangerous high-speed machines was equal in terms of "effort" to the heavy lifting required of men in the same plant.

Employers sometimes go to ridiculous lengths to justify unequal pay practices, Elisburg said, citing the successful case of a woman teacher who was paid less to coach a softball team than a male colleague who coached the hardball team.

He reported that, as in Britain and Canada, the gap between men's median earnings and women's has grown in the U.S., due largely to the continuing predominance of women in low-paid occupations, and also to the fact that many women are new entrants, or re-entrants, to the work force and therefore start on the bottom rung of the wage ladder. This situation, he added, could be effectively remedied by equal opportunities legislation. Elisburg also made reference to two important pieces of legislation that have been co-ordinated with the Equal Pay Act, namely:

1. Title VII of the Civil Rights Act of 1964, prohibiting discrimination in employment on the basis of sex, race, colour, religion and national origin; and
2. the Federal Executive Order 11246 (1965) which prohibits discrimination in employment on federal contracts and requires affirmative action to assure non-discrimination.

"An important example of co-ordination in the application of these three legal tools for combating sex discrimination involved the American Telephone and Telegraph Company (AT&T)," Elisburg reported. "Equal-pay violations were disclosed by wage-hour investigations which resulted in payment of approximately \$24 million in back wages to managerial and non-supervisory employees of AT&T.

"A great deal of progress has indeed been made toward eradicating discriminatory pay practices,"

Elisburg concluded, "and we at the U.S. Department of Labor are fully committed to continuing progress toward this goal."

With his brief description of the U.S. equal opportunities legislation, Elisburg paved the way for the next speaker, Mrs. Issie Jenkins, Deputy General Counsel with the American Equal Employment Opportunity Commission (EEOC).

Jenkins explained that Title VII of the Civil Rights Act of 1964 is administered by the EEOC, an independent agency which was given sole responsibility for the elimination of employment discrimination.

From 1964 to 1972, the EEOC had no enforcement authority, but it issued a number of important guidelines concerning discrimination on the basis of sex, religion, national origin and employee selection procedures (commonly referred to as the Testing Guidelines).

The Sex Guidelines define when sex may be a bona fide occupational qualification (BFOQ), prescribe separate lines of progress and seniority systems for males and females, prohibit discrimination against married women, prohibit sex-segregated advertising for job opportunities, prohibit unequal treatment in fringe benefits based on sex, as well as covering employment policies relating to pregnancy and childbirth.

The Testing Guidelines, issued in 1970, cover the use of tests in making employment decisions and define "test" as any performance measure used as a basis for an employment decision. Significantly, these guidelines proscribe the use of any test which adversely affects hiring, promotions,

transfers, or any other employment opportunity of classes protected by Title VII unless the test has been validated, evidences a high degree of utility, and the person using the results of the test can demonstrate that suitable alternative hiring, promotion, or transfer procedures are unavailable.

"...continuous pressure from organized groups has acted as a main driving force behind the U.S. Department of Labor's efforts to enforce equal pay"

Title VII of the Civil Rights Act also gave the EEOC authority to require that certain employment records be kept in order to assist the Commission in assessing when possible discriminatory employment systems exist, where protected groups are under-utilized, and to provide data for use by the Commission in all its programs to eliminate employment discrimination.

Between 1964 and 1972, three important legal concepts of employment discrimination were developed:

1) Discrimination through disparate treatment, where similarly situated employees are treated differently under circumstances in which there is no adequate non-racial or non-sexual explanation for the treatment. Common examples of this are different treatment of men and women with respect to fringe benefits, and unequal discipline for similar offences.

2) Discrimination based on the perpetuation of the effects of past discrimination. For example, in the case of *Quarles vs. Phillip Morris, Inc.* it was held that a seniority system and a transfer system were discriminatory and in violation of Title VII if they locked previously discriminated-against minorities

and women into inferior positions into which they were originally placed as a result of discrimination.

3) Discrimination by adverse impact of selection methods. In the case of *Griggs vs. Duke Power Company*, the Supreme Court held that if a test has a substantial adverse impact on minorities and women, and is not job-related or required by business necessity, it is considered a violation of Title VII. The employer must be able to demonstrate that the test is job-related. Good intent or absence of discriminatory intent are irrelevant.

In 1972, Jenkins explained, the Human Rights Act was amended to give the EEOC authority to file law suits against private employers, employment agencies and unions when conciliation efforts failed.

The Commission's first resounding success came with the case of AT&T, described by Elisburg. A further major settlement was arrived at with the United Steelworkers of America in the form of two consent decrees obtained in April 1974. The decrees provided for full utilization of blacks, Spanish-named Americans, females and long-time service, production and maintenance workers of the industry by increasing their promotional transfer opportunities; for backpay of \$31 million to certain incumbent minorities and female employees; and for placing females in certain management positions.

Jenkins said, however, that difficulties arise from charges of reverse discrimination usually made by white males who feel that their opportunities have been affected by the employer's efforts to improve the opportunities of minorities and women. These charges hamper the progress of

voluntary compliance, one of the basic premises of Title VII.

Further difficulties have been presented by the enormous increase in the Commission's work: in 1966, the EEOC received 8,700 charges of discrimination and operated on a budget of \$3.5 million. Its inventory of charges at the end of the fiscal year 1966 was 2,300. In 1975, the Commission received 71,000 charges, operated on a budget of \$55 million, and had a charge inventory at the end of the fiscal year of 108,000 charges, the average age of which was two or more years.

But Jenkins seemed confident that under the direction of its new Chairman, Eleanor Holmes Norton, who was appointed in June 1977, the EEOC would go a long way toward resolving these problems. The new Guidelines on Affirmative Action, for example, "make it clear that employers who do comply with Title VII voluntarily will be protected to the greatest extent possible from liability by those who may oppose or misconstrue such action." The new Chairman has also streamlined the case processing system.

Two significant points arose from the question period: first, that continuous pressure from organized groups has acted as a main driving force behind the U.S. Department of Labor's efforts to enforce equal pay; and, second, that the encouragement of voluntary affirmative action programs is essential in preventing an unwieldy backlog of charges of discriminatory practices in employment.

In the final hours of the conference, Gail Cook, executive vice-president of the C.D. Howe Research Institute, and Mary Eberts, associate professor of law at the University of Toronto,

Difficulties in establishing the standards of skill, effort and responsibility have slowed the enforcement of equal pay in Canada

offered suggestions and guidelines for the future of equal pay and equal opportunities in Canada.

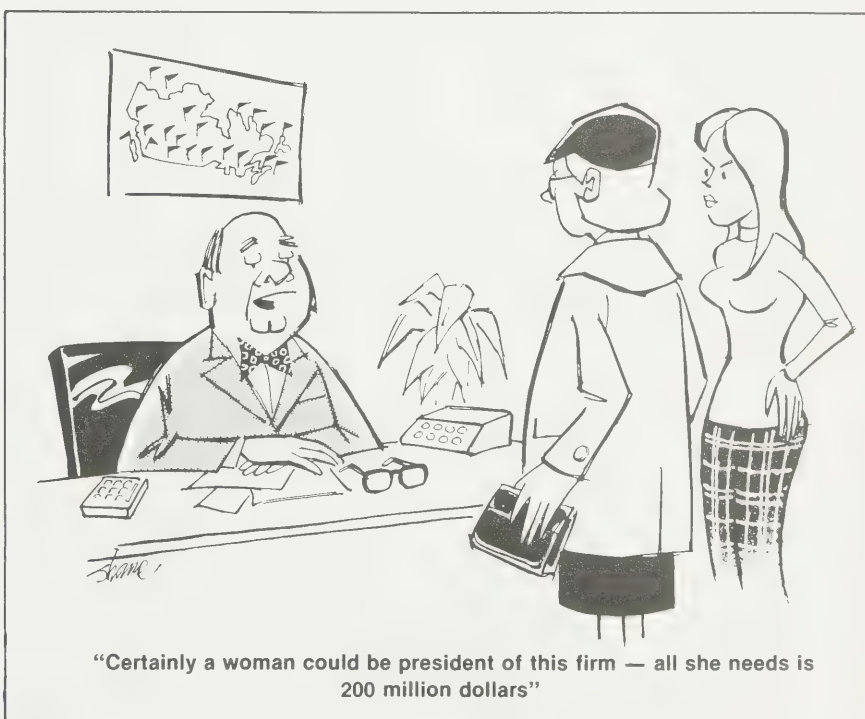
Dr. Cook had been asked to provide a general overview of the position of women in the Canadian labour force, to evaluate the economic impact of their participation, and to comment upon the economic consequences of equal pay and equal opportunity. She pointed out that raw statistics give a misleading impression. Wage differentials between men and women, for example, must be adjusted to account for part-time work, differences in education and seniority, and so on. On this basis, a conservative estimate of the average adjusted differential for 1971 was 10 per cent — a much

lower figure than the one usually quoted.

It should be emphasized, Cook said, "that the entire explanation for women's labour force patterns cannot be found in the form of barriers in the labour force alone. Responsibilities in the home and general attitudes in society affect our choices and our constraints, and are reflected in many ways in labour force patterns."

"It is essential to have the best possible legislation and to have it fast," Dr. Cook declared. "We cannot, however, expect the pay-off from that legislation to show up immediately in dramatically altered statistics on labour force participation, occupational distribution, or average wage and salary levels."

She said that some commentators assume that unemployed women and young people are secondary workers, economically dependent on husbands and fathers. "Accord-



ingly, the conclusion is drawn that the burden of their being unemployed is less, and we can therefore define away part of the burden represented by an 8.5 per cent unemployment rate. Even more serious is the extension of this argument to suggest that men ought to have priority over women in filling the available jobs."

While it is true that some women are economically dependent on their men, most women work from economic necessity. "We must make up our minds," said Cook. "If jobs are to be held on the basis of one's ability to do the job, then let us use that criterion consistently for men and women. If jobs are to be allocated on the basis of economic necessity, then let us use that criterion for both women and men and not resort to the incorrect generalization that men alone bear the economic responsibilities in the Canada of 1978. Facts, and not assumptions, are required when such basic decisions are being made."

Speculating on the future of equality in employment, Cook said that the devaluation of the dollar suggests that Canada is not competitive in the international market, and that since governments at all levels are under continuing pressure to reduce their increases in spending she foresaw little likelihood of tougher affirmative action programs, or expansion of publicly financed day care facilities.

Although not entirely pessimistic, Cook warned that Canadians must re-adjust their thinking in terms of current economic conditions. We must recognize the constraints, make full use of existing legislation, and put to better use existing allocations of government funds. Economic difficulties should not be allowed to prevent action.

She urged the delegates to focus

squarely on the objective, which is, "to achieve equal opportunity for choice and to go beyond to expand the range of effective choices for all Canadians."

The final speaker, Mary Eberts, had hoped to present a picture of the usefulness of Canadian equal pay legislation from the viewpoint of the numbers and rate of success

A second major obstacle to equal-pay enforcement is the traditional machinery of litigation...highly individualistic, lengthy, costly

of cases brought to court. She discovered that some provincial records were simply not available, others were incomplete, and changes in the method of recording such cases made comparisons difficult. She also discovered that the Canada Department of Labour ceased to report any statistics on equal pay complaints after March 31, 1966, while still recording Departmental responsibility for the administration of equal pay provisions.

From the records that were available from British Columbia, Ontario, Nova Scotia and Saskatchewan, Eberts found that few complaints were lodged from the early 1950s until the late 1960s.

"The increased use in the late nineteen sixties," she said, "suggests that the emerging confidence generated by the women's movement may have had a useful corrective effect on the problem."

In Eberts' opinion, difficulties in establishing the standards of skill, effort and responsibility, are among the main reasons for the slow progress of equal-pay enforcement in Canada. She cited the unsuccessful case of *Daisy Morant and The Oshawa Times* to

illustrate the difficulty of proving the requisite degree of similarity in all three elements: "In this case, a "Family" editor of a newspaper was found to exercise *more* skill and the same degree of effort as the sports editor, but she was not entitled to equal pay because the sports editor had more responsibility." (From Elisburg's examples of similar complaints one gathers that Daisy Morant would have won her case in the U.S.).

Eberts also noted "the frequency with which the meaning of the statutory standard of 'same', 'similar', or 'substantially similar' has been at issue in cases before boards and courts and the complexity of the exceptions to the equal-pay requirement for factors other than sex that justify the difference in wages.

A second major obstacle to equal-pay enforcement identified by Eberts is the traditional machinery of litigation, which is highly individualistic and places a premium on the economic and emotional resources of the individuals involved. In short, the process is lengthy and costly, and totally unsuited to the needs of a low-paid worker pitted against the vast resources of a large company.

These problems were clearly illustrated in a well-known case in Alberta which ran from April 24, 1973, to January 27, 1976. It involved a complaint by seven female nursing aides who were being paid lower wages than male nursing orderlies doing similar work. "There was no serious contest on the main issue," Eberts said. "The hospital admitted that the work was the same, and that the women were paid less.... The lengthy process was caused by the eventually unsuccessful allegation that the existence of different collective agreements...was a factor other than sex which justified the difference."



"No, she wouldn't be interested in a job. She hasn't worked since we got married."

Eberts observed that this case was "a near classic example of an employer taking advantage of an ambiguity in the statutory standard once he has been caught in an apparent breach of the Act." Moreover, restitution was ultimately made only to the seven complainants at a cost of approximately \$14,000 to the hospital. The 300 or so other nursing aides employed by the hospital received no back-pay.

Eberts recommended that legislatures adopt measures to make enforcement procedures less lengthy, less individualized and less threatening to the individual.

"Governments must accept that the policies they have espoused *do* involve group exigencies and require movement beyond an improved human-rights enforcement system based on individual

action. Individualized mechanisms are just not enough for the achievement of the social policy goals," she declared.

"Governments must accept that the policies they have espoused...require movement beyond an enforcement system based on individual action..."

Eberts also recommended the provision of a tax deduction for employers performing in accordance with an affirmative-action program approved by government: "The tax deduction would be some recognition of the costs to employers of wide-scale removal of discrimination against women and thus should be available only to those making extensive efforts to remove structural discrimination.... It would also shift the initia-

tive from the individual and the agencies to the employer."

The advantage of such a scheme, she maintained, is that, given appropriate financial incentives, it would be "almost completely self-enforcing."

Finally, Eberts recommended that the presence of males in the same type of job should not be a prerequisite to the operation of equal-value legislation. This would benefit the large groups of women in structurally segregated jobs, she said.

The undeniably gloomy implications of the Canadian papers contrasted sharply with the glowing reports of success from the United States. Many delegates were obviously disturbed by the evidence that Canada has far to go in the field of equal pay and equal opportunities, and the conference broke up in a militant mood. Several delegates demanded to know why none of the employers at the conference had spoken up, and why no representative from the federal government was present.

Chairwoman Kay Sigurjonsson accepted a recommendation proposed by Karen Richardson, a member of the Ontario Committee on the Status of Women, to be presented to the absent Ontario Minister of Labour, Bette Stephenson, immediately on her return from Victoria. The recommendation demanded that the Minister undertake to enforce seriously the existing legislation for equal pay, and that she make clear the Ministry's policy on the concept of equal pay for work of equal value.

The determination of the departing delegates to continue to fight for equality in the workforce was, perhaps, the most productive outcome of what proved to be a very informative conference. [E]

The VanPly affair: new directions in worker-management relations

by John Clarke

By virtually all the rules of economics the Vancouver Plywood Division operation of MacMillan Bloedel Ltd. of British Columbia should be closing down. In fact, that is what the company wanted to do and had announced its intention to do. But as a result of an agreement with the International Woodworkers of America union, supported by the B.C. provincial government, it will be kept open.

The decision is expected to have a major impact on labour relations not only in B.C. but throughout Canada generally. It's the first time a large international corporation has been prevented by union intervention from closing a clearly uneconomic operation.

The unilateral right of the management of a corporation to make the economic decisions affecting its operations has been significantly eroded. Other unions will now expect, as their right, to be consulted before the final economic judgments are made.

The VanPly division, after nearly 50 years, is one of the oldest of MacMillan Bloedel's operations. The plant is rundown and the equipment is outdated and discouragingly inefficient.

The market for the high quality sanded plywood it produces has been diminishing and competition from the lower-wage southern United States, together with recent inventory-reduction policies of Scandinavian countries, has made it quite uneconomic for VanPly to keep going. It has been losing

money at the rate of \$3 million a year.

But the closure would have meant the loss of 700 jobs, according to company figures, or nearly 1,000, according to the IWA. It also would have sent shock waves through the entire logging industry.

The Truck Loggers' Association, made up primarily of independent logging companies, called the VanPly affair the tip of the iceberg. TLA president Dave O'Connor said: "VanPly is only part of the story of near bankruptcy of MacMillan Bloedel's coastal operations in logging lumber, plywood and shingles. The side effects of this disaster (would be) so sweepingly significant that it is not appropriate that Calvert Knudsen (MacMillan Bloedel president), IWA regional president Jack Munro and Forests Minister Tom Waterland meet in a back room to arrange a petty trade-off for VanPly's closure."

What O'Connor meant was that if the VanPly decision was indicative of MacMillan Bloedel's future plans for plywood production, it could set off a chain reaction dislocating independent logging producers and throwing not just 700, but thousands of men out of work.

The unilateral right of the management of a corporation to make the economic decisions affecting its operations has been significantly eroded

As it happened, the backroom work was done primarily by the company and the union, although Premier Bill Bennett had made it known that the closure was unacceptable to the government.

Under the settlement they worked out the union agreed that the 42-year-old "A" mill is too old to be saved and it will be closed with the loss of 200 jobs. Most of the men affected will be placed in other MacMillan Bloedel operations and those that can't or don't want to continue working for the company will be given either early retirement or substantial severance pay. A joint planning group comprising representatives from the company, the union and the provincial department of labour will supervise the arrangements.

The younger "B" mill will be kept operating for at least the next two years. The company will spend \$1 million to modernize the lathes used in peeling the logs and to improve other equipment. For its part, the union undertakes to co-operate in increasing the productivity at the mill. This will save just over 500 jobs.

Whether the mill can be made economic within the next two years "remains to be seen," in Knudsen's view. The IWA, however, has no doubts about the success of the operation.

It is, however, the second part of the agreement that is the most significant. The forest industry on B.C.'s coast has many operations not unlike VanPly in condition and

expectation. They have become rundown while the industry has concentrated on developing the younger and more efficient sector of the industry in the interior. A few years ago the province changed its logging regulations to allow the harvesting of smaller-diameter trees. This meant the industry was able to go in there with virtually brand new plant and machinery and the returns immediately looked more attractive than on the coast.

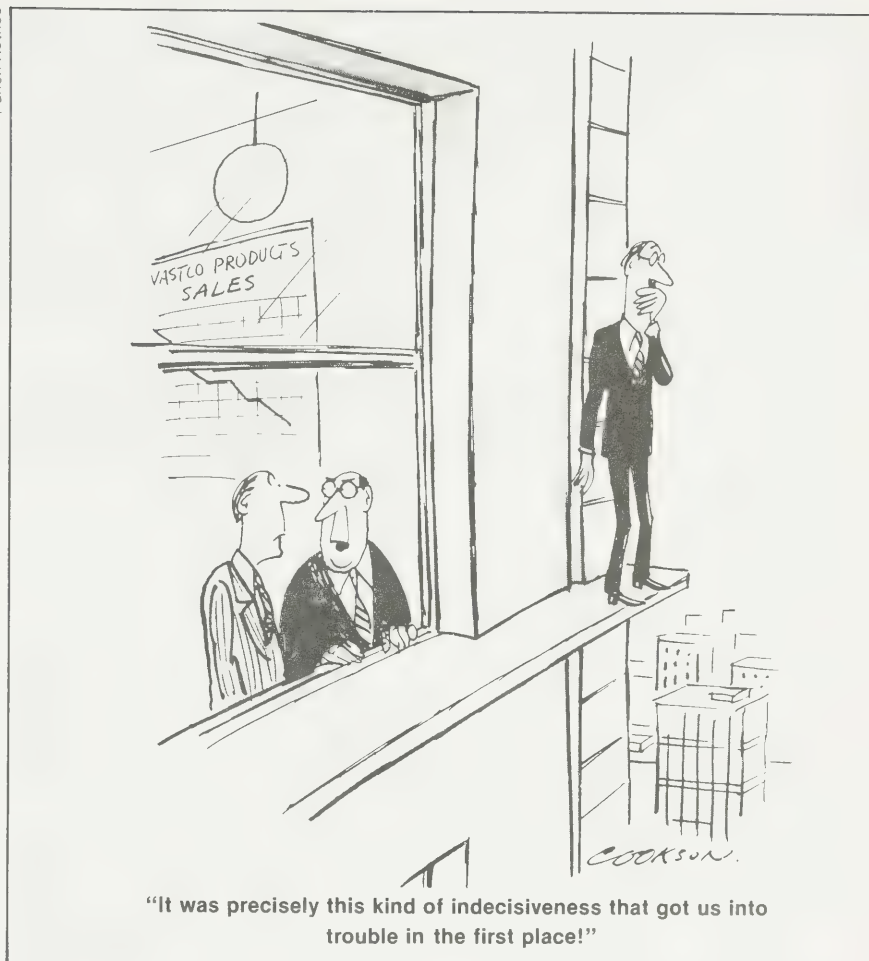
But it's on the coast where the bulk of the IWA's 35,000 members are employed. If the VanPly decision was, in fact, the tip of the iceberg, many more mill closures could be expected and thousands of workers faced with the eventual loss of their jobs. This would not happen overnight, of course. But it was the prospect the IWA saw over the next several years.

For MacMillan Bloedel the choice was extremely difficult. Faced with competition from the southern U.S., European countries and, to some extent, the B.C. interior, it had to decide whether to abandon an uneconomic plant in favour of capital investment elsewhere in its operations, or try to keep VanPly going as best it could. The economics dictated closure.

But pressure from the provincial government and the union really denied it that option and the resulting "agreement" has set a number of precedents.

The first is that the closure of major operations affecting significant numbers of workers will in future be subject to negotiation. It still isn't clear how far negotiations can be taken. For instance, if the company had held to its decision to close, could the union have staged an extensive strike against MacMillan Bloedel operations generally, as seemed to be implied in some of its initial threats?

Punch-Rothco



Such a strike would probably have been illegal under the province's Labour Code. So the negotiations to that extent were permissive on the part of the company. Nevertheless, the precedent has been set which other employers, and no less the government, will have to follow.

The crucial point in any such negotiations is the extent of the private corporation's authority to

The economics dictated closure, but pressure from the provincial government and the union denied the company that option

make the economic decisions its shareholders expect it to make. That authority has been very significantly compromised by the VanPly case which underscores a point the trade unions have been trying to make for years — that employees have an equal right with shareholders and management to a role in determining the company's future.

The key point for the company is the IWA's undertaking to work with management in devising procedures to improve productivity at the plant. And that is the second precedent.

Trade unions in Canada have, with some exceptions, traditionally

considered productivity a matter for management. The great majority of technological change clauses in contracts, for instance, have more to do with the protection of workers' conditions, wages and so on, than with efforts to improve productivity resulting from the changes themselves.

Management has taken the contrary view. Because of restrictions favouring workers in labour contracts, management has tried to involve the trade unions in the productivity issue. At VanPly the IWA has categorically agreed to work with the company to improve output.

The IWA's regional president Jack Munro says: "We are going to look at everything. The object is to make that place more productive."

The key point for the company is the IWA's undertaking to work with managers in devising procedures to improve productivity at the plant

That won't be easy because the union will have to work around clauses in the contract that have had to do with everything but productivity. But the 700 workers at VanPly, many of them with 20 years' service with MacMillan Bloedel, got a rude shock when the mill closure was announced and are clearly now in a mood to help make the operation more efficient. And that will be a key to the union's approach. The union wants to bring the individual workers as much as possible into the productivity discussions. How that will be done is not yet clear, but no doubt it will involve the filtering up of ideas from the shop floor through a union committee dealing with management at higher levels.

How the two sides work out a

The VanPly case also reveals the model Canadian unions will clearly prefer in handling worker input in managerial decision making

design for productivity improvement within the existing contract will be closely watched by other unions and other companies. That design will, of course, have a significant bearing on MacMillan Bloedel's future capital investment programs. The company will obviously be more prepared to spend money renovating older plants if there are reciprocal productivity initiatives by the union.

So MacMillan Bloedel and the IWA could well set a pattern for industry generally if they produce a successful blueprint for greater efficiency.

The VanPly case also reveals the model Canadian unions will clearly prefer in handling worker input in managerial decision making. They will stick with collective bargaining, suitably modified, rather than adopt the European system of union-worker representation directly on corporate boards of directors.

Jack Munro calls worker directors "mere tokens," not to be trusted to truly carry the workers' interests into the boardroom.

Industrial democracy is very much a buzz word in labour relations circles these days. Federal Labour Minister John Munro is known to favour much greater worker involvement in the running of corporations, although he has never been specific. But he has a report on the German system of co-determination from Charles Connaghan, former president of the Construction Labour Relations

Association in B.C. and now an administrative vice-president at the University of British Columbia.

The IWA has poured scorn on the German system which, according to union leader Munro, hasn't worked nearly as well as North American-style free collective bargaining to improve the lot of the ordinary worker.

For the IWA, having a worker on a board of directors compromises the union at contract negotiating time. If the capital investment decisions, or decisions about closing down operations, are made at the director level under the German system, there isn't anything left for the unions to negotiate about. The union therefore is effectively squeezed out of the process.

But under procedures indicated by the VanPly agreement, the union will be involved *before* the decisions are made. It will be able to retain its independence and therefore exercise a greater influence in the consultative process.

MacMillan Bloedel did not, of course, invite anybody from the IWA to join its board of directors. Nor did the IWA seek a seat there. But the point is that the VanPly agreement is a mightily significant first step toward the remoulding of free collective bargaining to accommodate broader sharing of management responsibility with the unions.

Whatever happens at the national economic planning level to the idea of tripartism, the IWA in B.C. has made it clear that individual unions want no part of it at the company level. [g]

John Clarke is a senior editorial writer and labour specialist with the Vancouver Province.

Brighter prospects for tripartism in Canada

by Ed Finn

This article on tripartism is a follow-up to one that Ed Finn wrote for the February/March 1978 issue of The Labour Gazette ("Tripartite Consultation at the National Level"), in which he described the many structural and attitudinal deterrents to the tripartite system in Canada, and painted a gloomy picture of its prospects.

He now feels, however, that the previous article — which drew a much greater and more favourable response than any of his other Gazette essays — was unnecessarily pessimistic. Recent developments, which he analyses in this article, make it clear that tripartism (by whatever name) has not only survived the onslaught of its many critics, but is actually gaining ground.

Tripartism lives.

The concept of business-labour-government co-operation was reported dead last summer when the federal government and the Canadian Labour Congress failed to agree on terms for ending wage and price controls.

That plunged relations between the CLC and Ottawa into a deep freeze. Many of the CLC's affiliated unions repudiated the manifesto favouring tripartism that they had so enthusiastically endorsed at the 1976 congress convention.

It seemed that all hope of achieving teamwork in industry was dead, and I was among the many commentators who wrote obituary notices.

But recent developments, including events at the 1978 CLC convention in Quebec City, indicate quite clearly that discussions among business, government and labour officials have not only been resumed, but have actually produced a number of tripartite arrangements.

Among them are the three industrial inquiry commissions established earlier this year by Labour Minister John Munro; the proposed

new Canada Centre for Occupational Health and Safety; and the score of manufacturing sector committees set up to assess each industry and recommend assistance programs.

All three inquiry commissions — on layoffs, broader-based bargaining, and paid educational leave — are comprised of prominent labour and business leaders, such as Jack Munro of the International Woodworkers of America, Senator Bill Mahoney, former national director of the Steelworkers, Bill Wightman of the Canadian Manufacturers' Association, and Charles Perreault, former president of the Conseil du Patronat du Québec. The chairmen all have academic backgrounds.

While the federal government is not directly represented on these commissions, they are creatures of the government and as such can be classed as tripartite bodies.

The Occupational Health and Safety Centre will have both federal and provincial government representatives, as well as business and labour officials, on its board of directors.

The sectorial manufacturing committees were approved at the

first ministers' conference last February, and since then both the CLC and the business community have agreed to participate in them.

Perhaps, in retrospect, we shouldn't be surprised that tripartism has survived. For one thing, labour and business never did break off contact. Even while snubbing the government, the then CLC president, Joe Morris, and his fellow officers met regularly with such business leaders as Jean de Grandpré, chairman of Bell Canada; Alfred Powis, vice-president of Noranda Mines Ltd.; and Paul Desmarais, chairman of Power Corp. of Canada.

The business leaders also continued bipartite talks with government, acting as intermediaries between the labour and political antagonists. Eventually, during the winter, three-party discussions were re-established, and agreement reached — not just on the principle of tripartism, but on involvement in tripartite agencies.

Businessmen seem genuinely anxious to avoid a renewal of open hostilities with the unions now that wage controls are being phased out. For example, when spokesmen for the CMA and the Chamber of Commerce appeared before the Commons labour committee on Feb. 16 to object to some Canada Labour Code amendments they felt had a pro-labour bias, they were careful to aim their barbs at the government.

"Our quarrel is not with the unions, but with the government," said Lloyd Hemsworth, vice-president of de Havilland. "The CMA intends to continue the bilateral

discussions it has been holding with the CLC, to determine those matters in which we share a common interest."

CLC officers, meanwhile, have had to tread carefully through a minefield of internal opposition to tripartism. At the April convention, they were able to beat back the repeated demands by left-wing delegates to rescind the 1976 manifesto and disavow tripartism in any form.

The central economic policy paper adopted at the convention neither rejects nor supports tripartism. It simply leaves congress officers free to consult with — and act with — either business or government, or both, or to refuse to do so, whatever seems advisable.

That's the kind of flexible, pragmatic approach that the new CLC president, Dennis McDermott, prefers. He's enough of a realist to know that the labour movement can't operate in isolation from the political and business communities.

"Three-way talks shouldn't be ruled out when they can do some good," he said.

"As a national labour centre, there are times when we must have input with the government of Canada. There's nothing wrong with that."

He pointed to the International Labour Organization as a good example of effective tripartism in action.

McDermott's predecessor, Joe Morris, had no inhibitions in voicing his support for the tripartite system. A veteran participant in international affairs and now chairman of the ILO, he has seen tripartism work in Europe, and he remains convinced that it has to come to Canada sooner or later.

"My only reservation about our manifesto," he said, "is that it may have been premature. Our people weren't ready for it. But in the long run it's the only way labour-management-government relations can be conducted rationally and in the best interests of everyone."

Morris scoffed at the objections to tripartism raised by such labour leaders as Ontario Federation of Labour president Cliff Pilkey and Canadian Union of Public Employees president Grace Hartman. They charge that in any tripartite system labour would be outnumbered by its business and government "enemies."

"That's crap," said Morris bluntly. He argued that on some issues labour and business might unite against government, and on others labour and government would be on the same side against business.

"Even if the odds were always 2 to 1 against us," he added, "they'd be the best odds we've ever had. Any union leader who couldn't win in a 2-against-1 situation shouldn't be in the labour movement."

Although Morris bowed out at the last CLC convention, his pro-tripartism views are shared by other influential union officers, who have picked up the torch.

They include Henri Lorrain, president of the Canadian Paperworkers' Union; Gérard Docquier, Canadian director of the Steelworkers; and John Fryer, general secretary of the B.C. Government Employees' Union.

Fryer, in a letter to CUPE's Hartman, defended the CLC's 1976 manifesto.

Admitting that the Congress is not as strong as the corporations, he argued that was not a valid reason for rejecting tripartism. Instead, the affiliated unions should take

steps to provide the CLC with "the unified political and economic power to make the tripartite approach effective..."

Docquier and Lorrain have also championed tripartism in speeches and interviews.


"We can no longer tolerate a system in which decisions affecting our members are made without labour's involvement," said Docquier. "Call it tripartism or any other name, we must have some input into the decision-making process."

Lorrain emphasized that he's not promoting tokenism.

"Labour must have full partnership status," he said, "and that means an industrial strategy that goes beyond a mere incomes policy. It means that management must also give up its unilateral right to determine investment and pricing policies."

Obviously the tripartite experiments recently undertaken do not embrace the kind of broad economic planning mentioned by Lorrain, and envisaged in the CLC manifesto. They are modest in scope, limited in their objectives.

But perhaps this is the only practical way that tripartism can be implemented in a country as vast and diverse as Canada — by first gaining a few footholds, then gradually extending it, step by step, into larger and more important sectors.

Whatever its ultimate fate, tripartism in Canada is not dead. It is not even dormant. Like most other ideas, its time will come — and sooner than we think. 

Ed Finn is director of public relations and information for the Canadian Brotherhood of Railway, Transport and General Workers. He also writes a regular column on labour for The Toronto Star.

The CLC's 1978 convention — an unprecedented show of solidarity

by Roy LaBerge

Labour solidarity was more than a cliché at the 1978 biennial convention of the Canadian Labour Congress, in Quebec City, April 3-7. The 2,467 delegates showed a more unified approach to most convention issues than has been seen for many years. The question remains, however, whether the delegates can convince the local union members, who sent them to the convention, to adopt its decisions and transform them into action in their own communities.

The convention delegates demonstrated their solidarity by:

- electing a new president by acclamation — Dennis McDermott, 55-year-old Canadian director of the United Auto Workers;

- adopting unanimously, by a standing vote, an emergency resolution calling for solidarity between public and private sector unions in opposing proposed amendments to the federal Public Service Staff Relations Act;

- adopting unanimously, again by standing vote, a decision to support the New Democratic Party in the next federal election;

- and voting 85 per cent in favour of a statement calling for solidarity between workers in Quebec and the other provinces whatever the outcome of the current debate on Canada's constitution.

McDermott came to the convention with the unanimous support of the CLC's 30-member executive

council to succeed Joe Morris who had held the presidency for four years and was required to step down by the mandatory 65-year age limit in the CLC constitution. Morris remains active on the international scene as chairman of the governing body of the International Labour Organization and a member of the Independent Commission on International Development Concerns, headed by Willy Brandt, the Nobel prize-winning former chancellor of West Germany.

The only major issue on which the convention was clearly split was a proposal to change the existing voting procedure based on one vote per delegate. Even it failed by only 23 votes to win the two-thirds vote needed for a constitutional amendment.

During most debate, the only consistent dissent came from a handful of extreme left-wing delegates and the 60 delegates of the Canadian Union of Postal Workers, and even they went along with the majority to make several crucial votes unanimous.

The Postal Workers had come to Quebec City with their own proposed program of action for the CLC. It called for nationalization of the finance and resource industries, a 30-hour work week with no loss of income, triple time compensation for all overtime hours worked, an "immediate, unlimited" general strike if the government announced it intended to reimpose wage controls in any form, and continued support for the NDP but only "providing that it consistently



McDermott and Morris...different leadership styles

support, defend, publicize and promote" the principles embodied in the CUPW program. Postal delegates, led by their president, Jean-Claude Parrot, rose frequently on points of order to complain that resolutions presented by convention committees did not reflect their own militant program and were not specific enough in their calls for action.

The convention adopted policies that no longer formally wed the 2.3 million-member CLC to the principle adopted at the 1976 convention of sharing power with government and management in economic policy-making, largely through a proposed labour market board. The board would have forecast labour market changes, administered manpower training programs and mobility grants as well as the unemployment insurance program, regulated immigration, and even channelled both public and private investment funds to alleviate cyclical and regional unemployment.

The 1978 convention policies would have labour influence economic and social policy-making in more traditional ways — more effective union organization, improved collective bargaining, and stronger support for the NDP. An economic policy resolution, for example, said that tripartite discussions held with the federal government and the business community with a view to ending wage controls and extending labour's influence had proved "fruitless." It called on the CLC and its affiliates to "consolidate and expand their support for the NDP" to give labour stronger political influence.

While CLC conventions have always adopted resolutions calling on labour to support the NDP, this year's were more strongly worded, and Ed Broadbent, the party's federal leader, drew standing ovations both before and after he



Jean-Claude Parrot

urged the delegates to mobilize support in the coming election campaign.

The carefully-worded statement on national solidarity did not come down on one side or the other in the current debate over Quebec "independence." It affirmed the right of Quebec workers to "determine their own political and constitutional future," and expressed the hope that a "continuing dialogue will lead to a restructuring of the relationship between us which will serve the

The question remains whether the delegates can convince their locals to transform convention decisions into action in their own communities

interests of our two communities of people in a vibrant and new Canadian society."

The statement says workers will not be deluded by "attempts of governments to mask or obscure the seriousness of the economic problems with legalistic constitu-

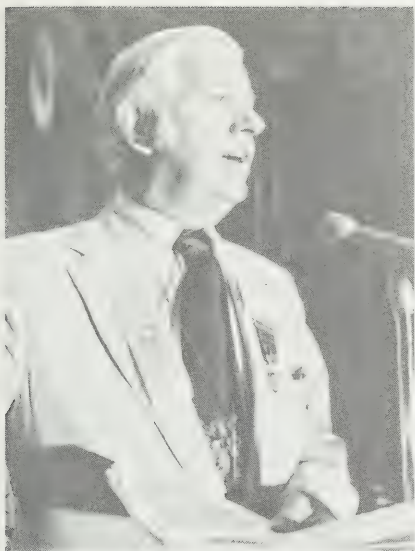
tional debate...Political leaders in all parts of the country must understand that the economic crisis ranks as our primary concern. We shall not permit ourselves to be divided in our pursuit of the resolution of that problem."

It takes this clear stand on worker solidarity: "We as working people are committed to maintaining the solidarity of our labour movement and to respecting the historical reality that our roots are founded in two nations. It is in this context that we address ourselves to the question of the political and constitutional relationship within Canada."

The emergency resolution on Bill C-28, a series of amendments to the Public Service Staff Relations Act, authorizes the CLC to do "everything in its power" to defeat any Member of Parliament who supports the bill. It also commits the Congress to organize special campaigns against the bill and to support demonstrations and similar action affiliates.

The bill would outlaw strikes during election campaigns, remove employees earning over \$33,500 a year from bargaining units, and impose a system of "average comparability of total compensation" on federal employees.

Andy Stewart, president of the 177,000-member Public Service Alliance of Canada, told the convention the formula would, in effect, set maximum pay and fringe benefits for unionized federal employees at the average of non-union employees in low-paying private industries such as insurance and banking. "If this bill goes through it will impose computerized bargaining, with no decision making on the part of the membership," said Stewart, whose militant address drew a standing ovation.



Kealey Cummings

Kealey Cummings, national secretary-treasurer of the Canadian Union of Public Employees, said the bill would "reflect on every private employee in the country." The private sector, in time, "will have a cap on wages, and negotiations by computer," he claimed. "If the public and private sector unions don't work together and succeed in defeating this bill, it will be the beginning of the downfall of the labour movement."

McDermott said the private sector "has no choice" but to defeat Bill C-28. "The eyes of government are upon us at this convention," he added. "I suggest that when we conclude this debate we stand as one in support of the people in the public sector...From this moment on, we are going to witness the radicalization of public service unions."

On opening day, in his final presidential address to a CLC convention, Morris had said the "whole thrust" of policies of both the federal and provincial governments is to hold down wages.

After three years of anti-inflation controls, he said, wages have been

cut back but prices continue to rise, "and by tying public-sector wages to private-sector wages, the government is laying the groundwork for continuing wage controls after the current controls legislation has expired."

Morris said the most "insidious" aspect of Bill C-28 is that "it is intent upon splitting the trade union movement along public and private-sector lines. The Congress cannot permit this to happen. Everyone must understand that if controls are successfully applied to one sector they will very quickly be followed by controls on the other."

He also said that in most provinces the public sector "is being threatened by repressive legislation and drastic cutbacks. Governments as employers are submitting to an ever increasing pressure to restrain public sector employees and their unions in the name of fiscal responsibility. This political stance has been adopted for purely selfish short-term gains regardless of the social harm and cynicism it sows."

The only major issue on which the convention was clearly split was a proposal to change the existing voting procedure

Morris complained that revisions to the Consumer Price Index, in effect June 1, also mean lost wages for workers: "Affiliates of the Congress have negotiated many COLA (cost-of-living allowance) clauses to protect workers against inflation, and by our estimates if the reported rate of price increases is reduced by only 1 per cent it will mean approximately \$1 billion less in annual wages and salaries."

He added: "Couple this with the new wage rate index that Labour

Canada is developing with the help and advice of such institutions as the Bank of Canada, Canadian Manufacturers Association, Pay Research Bureau, Finance [Department] and the AIB and we have a good idea what is in store for the private-sector unions."

Morris also drew a standing ovation later in the convention when the delegates unanimously adopted a resolution congratulating him on his election as chairman of the ILO governing body.

A proposal for "weighted roll call votes" at future CLC conventions failed by 23 votes to get the two-thirds majority needed to amend the CLC constitution. Since the CLC's founding in 1956, convention voting has been on the basis of one vote per delegate with each local union allowed to send at least one delegate. This gives unions with a smaller average number of members per local a voting advantage over unions with more members per local. The rejected proposal would have used total membership as a basis for voting strength when one third of convention delegates requested it. CLC executive officers and delegates from federations of labour would have had 1,000 votes each, delegates from labour councils 100 votes each, and delegates from each affiliated union would have had their weighted vote calculated by dividing the number of delegates into the union's total membership, based on its per-capita dues payments to the Congress during the previous years.

The vote was 1,300 for the proposal and 723 against. It was brought in by a committee directed by the 1976 convention to explore alternative convention arrangements. The number of delegates has risen from 1,510 in 1960 to 2,462 in 1978, and only three

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CLC policy statements

Policy statements approved by the Canadian Labour Congress Convention, in Quebec City April 3-7, call for the development of a "comprehensive national industrial strategy" to create jobs, "and to tie in the production of raw resources to each industrial sector of the economy."

The CLC argues that if Canada is uncompetitive in some areas of manufacturing, "it is not wages that are the cause but the fact that corporations invest profits made in Canada in low-wage countries where profits are bigger rather than back here in new plants and machinery for Canadian workers to meet the competition."

Labour has long promoted national planning as a central element in building social democracy, the CLC says. Today, national planning is also being discussed by government and business, but "they will promote a national industrial strategy for their own very different reason." Therefore, labour must develop and promote policies that will meet its own objectives — "greater social justice and equality." The CLC must continue its attacks "to compel business and government to respond to our policies and programs."

The CLC also says "massive and unprecedented" intervention by government "on behalf of corporate interests and against the working people" has shaken the confidence of Canadians in their political and economic systems. While governments have legislated "repressive" wage controls and "severely cut" public spending on social programs, "the concentration of economic power in the hands of the corporations and the financial institutions has left them free of controls to seek higher profits in other countries or to

withhold or divert investments," the CLC adds. "Labour must reject the principles of monopoly ownership where private economic power in the hands of the few denies the fundamental rights of freedom, dignity and justice."

In a call for action, the CLC says: "The trade union movement must develop its own countervailing power to turn aside the challenges of governments and the corporations...and develop a unity of purpose." This would come about through a "revalitized" CLC, redoubled efforts in the political arena to translate trade union power into electoral support for the New Democratic Party, preserving and strengthening collective bargaining, and the planning by labour of its own programs and policies and promoting them "in a manner that will force government and business to respond to our drive for social democracy."

The policy statements also call for amendments to existing labour relations and security legislation to require more disclosure of information by corporations and specifically "to provide distribution to trade unions as bargaining agents certain basic financial and non-financial information concerning: the firm's status, its competitiveness in the market, its production and productivity, the firm's financial structure, budget and cost accounting, staff costs, the firm's outlook for the future, scientific research, all forms of public support received, and the firm's organizational chart."

A statement on "energy and jobs" calls on the government to clarify conflicting "pessimistic" reports from the National Energy Board about the country's actual reserves of gas and petroleum and "optimistic" reports from Petro-Canada

and the Department of Mines and Resources. It says further expansion, or even the maintenance of existing levels, of petroleum and natural gas exports "should be considered only with respect to refined or processed products" and that Canada should see the development of renewable energy forms "as a major opportunity to create jobs."

A statement on the current General Agreement on Tariffs and Trade (GATT) talks says Canada has more at stake than most countries because half of all goods produced by Canadian workers are exported. "Labour believes the job dimension of international trade is not being adequately considered in the GATT talks," the statement says, adding: "Labour is particularly concerned that Canada's negotiators do not give up on the highly manufactured goods sector in our country and adopt a position that the best Canada can do is get more processing of raw material short of the end-products stage. Our manufacturing sector must be maintained and revitalized, and this must be included as a key element of an industrial strategy."

Labour supports initiatives to establish a "more rational" trade agreement, the statement adds, "but in supporting more liberalized trade we mean fair trade...where advantages are gained on superior technology and not exploitive wages and inhumane working conditions."

The statement also calls for an end to the "myth" that reliance on imports means lower prices for Canadian consumers, adding: "This argument is artificial because workers and consumers are, for the most part, the same people. The preservation of Canadian jobs is as crucial to consumers as it is to workers. [G]

cities now have convention centres big enough to accommodate them — Toronto, Winnipeg and Quebec City.

A policy statement on international affairs said the Congress is “deeply disturbed” by the gap in wealth between the industrial countries and the rest of the world. It also said the CLC will press the Canadian government and international organizations to work for a more peaceful world — “based on fair shares among and within nations, bringing an end to child labour, subsistence wages and unemployment.”

Fraternal delegates who addressed the convention were Lloyd McBride, American Federation of Labor-Congress of Industrial Organizations; T.G.W. Elder, British Trades Union Congress; Yigal Alon, Histadrut; Otto Kersten, International Confederation of Free Trade Unions, and Francis Blanchard, ILO.

The convention also adopted a policy statement on alcohol and drug abuse committing the CLC and its affiliates to action “on every front” to encourage the development and implementation of “meaningful, realistic treatment programs, occupational programs and preventive education programs.”

Affiliates’ per-capita dues were raised to 25 cents a month from 20

The policy emphasis is on more effective union organization, improved collective bargaining and stronger support for the NDP

cents, and officers’ salaries were increased in two stages to \$50,000 from \$40,000 for the president, to \$45,000 from \$36,500 for the secretary-treasurer, and to \$45,000 from \$35,000 for the executive vice-presidents.

Other resolutions adopted reaffirmed the CLC’s intention not to co-operate in any post-controls monitoring body, and called for a minimum wage of \$4.50 an hour in both federal and provincial jurisdictions, a 32-hour work week without loss of pay as a partial solution to current high unemployment; renegotiation of the Canada-U.S. auto pact, increased public ownership as an instrument for economic planning and industrial strategy, making the post office a crown corporation, and reducing taxes for lower and middle-income groups.

Executive vice-presidents Shirley Carr of the Canadian Union of Public Employees and Julien Major of the Canadian Paperworkers Union were returned to office by acclamation, and secretary-treasurer Donald Montgomery of the United Steelworkers of America easily turned back a

challenge from Homer Stevens of the United Fishermen and Allied Workers by 1,701 votes to 481.

McDermott’s administrative assistant, Robert White, was elected by acclamation to fill the general vice-presidency left vacant by McDermott’s election to the presidency. The other five general vice-presidents were re-elected, also by acclamation: Gérard Docquier, USWA; Grace Hartman, CUPE; L.H. Lorrain, CPU, C.G. McGregor, Brotherhood of Railway, Airline and Steamship Clerks; Ken Rose, International Brotherhood of Electrical Workers.

Elected vice-presidents at large were Simon Bresner, International Ladies’ Garment Workers’ Union, Montreal; Stewart Cooke, USWA; Sam Fox, Amalgamated Clothing and Textile Worker’s Union; John Fryer, B.C. Government Employees’ Union; Ray Gall, Sheet Metal Workers’ International Association; Jack Munro, International Woodworkers of America; Don Nicholson, Canadian Brotherhood of Railway, Transport and General Workers; Huguette Plamondon, Canadian Food and Allied Workers Union; Mike Rygus, International Association of Machinists and Aerospace Workers; Andy Stewart, PSAC.

The provincial federations of labour name the other 10 members of the CLC’s 30-member executive council. [9]

The CLC’s new president

Dennis McDermott, newly-elected president of the Canadian Labour Congress, brings to the office a style of leadership vastly different from that of his predecessor, Joe Morris. While Morris’ statements were usually very carefully measured, McDermott concedes that he tends to “respond very

quickly” and that he “may get clobbered a few times.”

McDermott is expected to bring a higher public profile to the CLC presidency, and one of his first acts after the April 3-7 convention was to walk in the picket line at

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the Fleck Manufacturing Company Ltd. in Centralia, Ont., where 119 members of the United Auto Workers had been on strike since March 6, seeking a first contract. There has been occasional violence on the picket line as police have helped non-striking workers to cross it.

The five-foot eight-inch McDermott is colourful in both appearance and language. Known for his stylish haircuts and well-tailored sports jackets, usually worn with open neck shirts, he has kept close communication with younger members of his union and has frequently taken innovative approaches to collective bargaining. He told reporters his approach to winning contracts from banks would not be to use the traditional strike weapon as much as other techniques, including withdrawing accounts. It was McDermott who mobilized a great deal of union support in Canada for the grape boycott by the United Farm Workers in their bids for contracts in California.

Born in 1922 in Portsmouth, England, of Irish descent, he emigrated to Canada after service in the British navy during the Second World War. His political skill and rough mindedness have stood up through 30 years of UAW politics since he first joined the union as a welder in the Massey-Harris Toronto Plant in 1948. He held several offices in UAW Local 439, including editor of the union newspaper, until he was appointed an international representative in 1954, and became the UAW's Canadian director in 1968.

While the 1978 CLC convention backed away from its 1976 commitment to tripartism, McDermott says he still thinks the concept has merit, although it is not "expedient" to pursue it at this time. He

says he is convinced that the union movement needs to have on-going dialogue with whatever government is in power, while at the same time remaining committed to the New Democratic Party. As he once put it: "Just because you break bread with a person and maybe drink a little wine doesn't mean you are going to be seduced by him or seduce him."

As an example he mentions the \$10 million grant from the Canada Department of Labour to establish and operate the CLC's Labour Studies Centre. "Labour Minister John Munro has made very serious efforts to make friends with labour. There is nothing sinister about government money supporting labour education in Canada as it does in other countries. I'd take \$10 billion if I could get it."

Nevertheless, he is highly critical of the federal government for its current "attack" on public service employees which, he contends, has nothing to do with inflation. "If it did, the government would not be looking at wages but at energy and land costs," he argues. "Wages were controlled for three years but inflation continued.


"The whole thing is designed to get the public to forget about RCMP dirty tricks, resignations of cabinet ministers, high unemployment and the economic chaos the country is in. Public employees are the government's political scapegoats. A few public employees have high incomes, but the huge majority have not."

The first CLC president who had not previously served in one of the CLC's other three full-time elected offices, McDermott intends to seek more power for the central body from its affiliates. "The government's stand has left the movement more united than ever before," he maintains. "We're in

for a tough time, but we are no longer taking a back seat. We are going to make our presence known at every economic and social level in Canada."

He told a news conference he may tone down his colourful language in future, but there was no evidence of this during the convention. He referred to some dissident delegates, whose purpose he claimed was just to "disrupt," as people "you can't do anything with unless you lay them on a psychiatrist's couch for 15 or 20 years." He described their complaints as "just bull ----." He did not name them or their union, but said he could recognize them "by their little pointed heads."

When a delegate from the Canadian Union of Postal Workers complained about a news story that quoted unnamed CLC leaders as criticizing his union delegates' behaviour during the convention, McDermott replied: "You can't stand at the microphone day after day and pour buckets of obscenities over the platform and not expect retaliation. Democracy is a two-way street, and it doesn't include the double standard that you can vilify everybody else and get up and cry the minute someone says something about you."

His sense of humour is seen as an asset, especially during his difficult first months in office when, he says, "I'll have to learn my new job." When he addressed the convention after his election he said a delegate had warned him "not to get the impression you can walk on water." And when a reporter asked him how he expected to "get around the fact that while you are well known in Ontario and Quebec you don't have a national reputation," McDermott quipped: "by airplane." 

R.L.

Are health and safety negotiable?

by Paulette Bourgeois

The fit Swedes who put Canadian armchair athletes to shame seem to have the same effect on Canadian lawmakers, workers and employers. After debating for three days whether health and safety are negotiable, delegates to a Spring conference sponsored by McGill University's Industrial Relations Centre heard that Swedish employees and management have been working together since the 1930s through a joint industrial safety council. May-Britt Carlsson, labour attaché to Sweden's Embassy in Ottawa, told the delegates that new legislation moves beyond preventive health and safety measures and guarantees the Swedish worker a satisfactory mental and physical working environment. She told the 100 delegates that "It is no longer sufficient to protect the worker from physical harm; we have to consider his mental health as well."

Although Swedish employers are required by law to ensure a safe and healthy workplace, the employees exercise considerable influence on their environment. Swedish workers must take a basic training course in safety and along with employers contribute approximately \$30 million a year toward environmental research. Furthermore, Carlsson said there are more than 100,000 union-appointed safety delegates registered with the government. They are given time to make safety inspections and have legal authority to close any shop that deviates from safety standards.

But Carlsson points out that 110,000 workers are still injured each year out of a total labour force of four million. There are not enough doctors and trained technicians to monitor environmental hazards and no one knows yet whether the new legislation is truly workable.

Although it will be some time before the Canadian worker can benefit from the Swedish model, there is evidence that worker participation in health and safety is becoming the North American trend.

...there is evidence that worker participation in health and safety is becoming the North American trend

Wayne Horvitz, director of the Federal Mediation and Conciliation Service, U.S. Department of Labor, opened the conference by telling delegates "health and safety legislation is ineffective if those who need protection, the victims, don't have a say." He said that unless legislation is developed, enforced and administered with the help of those who work under the conditions covered by the legislation, there will be constant clashing. "The people who sit in Washington don't know what it is like to work underground; the people who should decide are the people who do the work," he emphasized. "The only regulations that make sense are those that people will follow — if a worker is

a party to making the rule, he will follow it."

Horvitz, who mediated the 103-day U.S. coal strike, said that when jobs are unsafe, the policy of work-now-grieve-later doesn't make any sense, but the "odd-spot arbitration system" developed at four major U.S. ports is a good example of effective, instant response to safety and health problems. The unions and the company each pick two arbitrators who are on 24-hour-a-day call. These arbitrators aren't professionals — most come from the rank and file. Says Horvitz: "He won't ask the men to work in an unsafe environment. He is an operating man who knows the ropes and the workers know he knows the ropes. They listen." This is an inexpensive and safe method of quick problem-solving that doesn't involve lengthy court battles, Horvitz adds.

The current adversary system of bargaining health and safety issues bothers Horvitz — someone has to win at the bargaining table and often safety and health are union issues that are left to the end, or used as levers to secure other benefits.

While more and more cases concerning safety standards and equipment are coming before arbitrators, the federal and provincial governments are seeking an alternative to negotiation through legislation. H.L. Laframboise, Labour Canada's assistant deputy minister for research and development, told delegates that under

the Canada Labour Code, workers must ensure their own safety. He said that "any employee, in conforming with the duty imposed on him in the Labour Code, should withdraw in the case of imminent danger." But he points out that the recently-passed labour legislation goes a step further and provides that employees cannot be penalized for stopping work when they perceive themselves in danger.

Laframboise says that imminent danger is narrowly defined by the government and workers will not be protected against health hazards whose effects become apparent only in the long-run. But he assures workers that "those hazards can be dealt with by other means, such as complaints, surveys, inspections, standards, and punishment for violations."

A second major provision in the new law deals with health and safety committees. Worker representatives favoured universality of this program, but Laframboise would rather "use our resources to clean up bad situations than dissipate our efforts over large numbers of committees in establishments where there is an exceedingly low level of occupational risk." As the law now stands, the Minister will require committees in establishments where he feels they are necessary.

Laframboise indicated the Canadian Centre for Occupational Health and Safety would provide needed reliable scientific information about health hazards in the workplace and would function independently of direct federal control, but the economic climate may limit what the government can do for worker safety. "I do not suggest that we are about to be stalemated in our efforts to obtain a healthier work environment. But it is my impression that all of us with responsibilities in this field are going to be increasingly

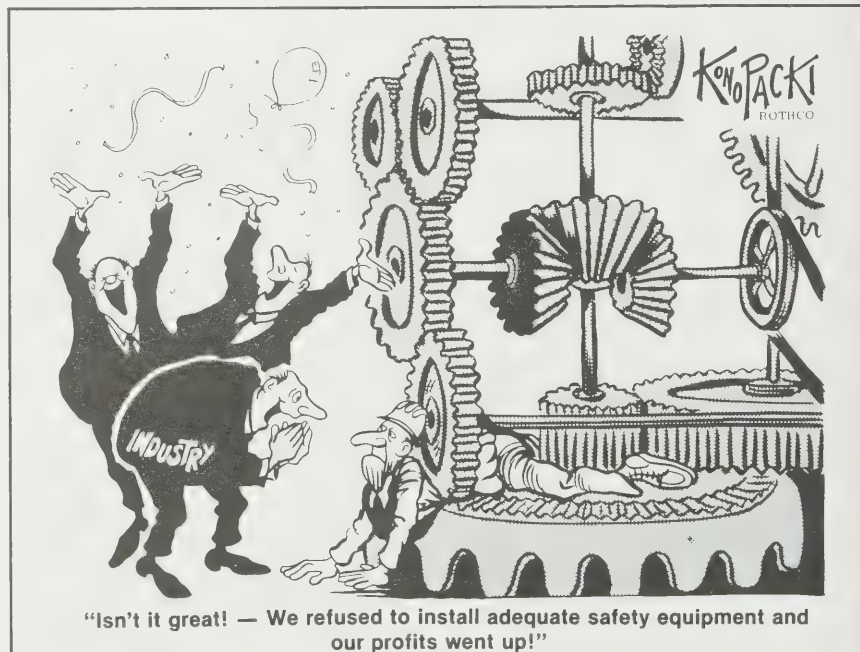
required to justify, in balanced economic and social terms, any further measures we propose."

Thomas Kuttner, a policy analyst with Ontario's Ministry of Labour, told the delegates that Ontario's new Occupational Health and Safety Act interfaces with the collective bargaining regime. "We instinctively reject the concept that integrity of our bodily well-being, while engaged at the workplace, could be something other than an absolute and inalienable right." But he said, "despite our aversion to health and safety as a negotiable matter, we insist upon dealing with that issue in the ongoing relationship between worker and employer." Work and safety issues are a necessary part of the dynamic of collective bargaining, he argued.

He told delegates that, contrary to popular opinion, collective bargaining is not institutionalized conflict, but rather a system whereby many issues common to both parties can be resolved in an accommodative mode. Unlike Dr. Ham, who recommended in his 1976 *Report*

of the Royal Commission on the Health and Safety of Workers in Mines that a "joint responsibility" system replace collective bargaining for health and safety issues, Kuttner suggests that Ontario follow the recommendations of a report by the Upjohn Institute for Employment Research. The authors of that report distinguish "integrative issues" from the more conflict-laden issues that accompany the bargaining process and they assert that there is a role for collective bargaining in health and safety matters.

According to Kuttner, the interface between the Act and the collective bargaining regime is multi-faceted — the provision for health and safety committees interacts with health and safety mechanisms provided for in collective bargaining processes. Under the Act, committees are formalized structures with the power to obtain information from management on the health and safety of workers and to make recommendations, but the Act gives no statutory recognition to existing health and safety committees established voluntarily



through the bargaining process. Kuttner notes that in British Columbia, these committees are established according to the size of the workplace and the hazard classification of the particular industry.

Kuttner felt that it would be preferable for health and safety committees to start voluntarily through the bargaining process and in such cases a parallel statutory mechanism would be undesirable.

He said the most significant feature of the Act is the control of toxic substances in the workplace. The number of toxic substances is estimated in the tens of thousands and the government wants to develop priorities in establishing controls of these substances. Using data provided by industry and other sources, the occupational health and safety division of the Ontario labour ministry will assess the agents to be used at work; it will develop standards and will give priority to those substances with carcinogenic or other long-term effects. The parties engaged in the workplace are free to assess the risk of toxic substances and arrive at acceptable levels of risk which may differ from the levels established by the regulation.

Despite legislation that requires industry to move toward a healthier workplace, the workers, not the bureaucrats, have to deal with the hazards. Professor G.W. Gibbs, director of the occupational health and safety unit at McGill University, echoes Horvitz's statement that workers must be involved in the process of legislative and industrial change. Gibbs argues that the adversary system of collective bargaining can be a waste of time and money and also a compromise of major issues that affect workers' health. He says that the issues raised in confronta-

The worker cannot take responsibility for himself in a complex world that he doesn't control and which the experts themselves do not fully understand

tion vary in magnitude, type and importance, but "there is little or no apparent setting of priorities, and the mechanics do not provide for the long-term on-going systematic review of problems in the workplace."

Although Gibbs recognizes that public inquiries into health issues can be beneficial, he criticizes the concept and points out that the information available to commissions could be made available to employers and employees for an internal solution. Commissions can only make recommendations and do not have a mandate to see their proposals implemented, he adds. Gibbs wants a clear definition of what causes a health hazard, a system for identifying and investigating existing and new hazards, and a mechanism for implementing controls. The essential elements of his scheme are the means to assess the effectiveness of control measures and a structure that ensures employee participation. Says Gibbs: "The best ventilation system in the world will not prevent dust exposures if employees fail to adhere to safe work practices."

He told delegates the present approach to identifying health hazards in industry is "often ad hoc and, with some rare exceptions, inadequate." There is a sparsity of scientific data relating health effects of various degrees of severity to measured levels of exposure to factors in the workplace. He added that once a problem has been identified the company has to solve the problem and pay the bills, and this may produce union-management pro-

blems when controls are too costly or take longer than anticipated.

Gibbs perceives another difficulty: the use of medical jargon — in attempting to be objective, the scientist may fail to communicate his findings in language the worker can understand. He suggests that occupational health and safety centres that cater to particular industrial sectors be established across the country; they would be governed by boards composed of government, union and management officials. Government would provide a peripheral advisory role to the centres, which would evaluate health hazards, fund research and develop new methods of control when necessary.

While Gibbs thinks the adversary system isn't the only means of dealing with health and safety in the workplace, Émile Boudreau, director of the health and safety division of the Quebec Federation of Labour, suggests that until we have an ideal society, negotiation is the only way to ensure healthy, safe work environments. He says Quebec workers want the right to participate in the process of evaluating their work environment: they want all the facts and the right to decide if the workplace is safe. Boudreau says many workers are afraid to demand safe workplaces because they fear the companies will close, move or lay off workers.

Neil Reimer, Canadian director of the Oil, Chemical and Atomic Workers, says many difficulties must be overcome before collective bargaining can make an effective contribution to health and safety. Management in general has refused to accept full union and worker participation in improving health and safety conditions, he says.

"Management attitudes can be

understood if one accepts the fact that management uses a dollar yardstick, that there is a zeal for production, and that science is worshipped and has priority. Corporate bureaucracy often stands in the way of an effective program," he says. But Reimer also faults unions because health and safety is often their last consideration at union meetings. "The negotiating committee often thinks they've done a tremendous job by establishing a health and safety committee jointly with management and then they forget to negotiate their rights." Often unionists do not have back-up information and expertise from their union, or the material help needed to do an effective job.

"New technology, procedures and substances are being introduced in the industrial operations at such a rapid rate that I see very little chance of a program being developed that does not include risk," Reimer told the delegates. The worker cannot take responsibility for himself in a complex world which he doesn't control and which the experts themselves do not fully understand. Reimer says the role of collective bargaining is limited — it can create awareness, minimize risk, place responsibility where it belongs, and educate and inform the work force.

Reimer agrees with Dr. Rene Dubos, professor of bio-medicine at Rockefeller University, who says it is unrealistic to hope that safety measures can be developed to prevent all industrial diseases, even if they were based on much greater knowledge than we now have. Dubos stated that "The only real way to deal with an unhappy but inevitable state of affairs is to carry out a variety of simple clinical tests on samples of the working population. This will detect as early as possible any change in the state of health. This

approach could be called the medical alarm system."

Dr. Claude Drouin, director of the Quebec Metal Mining Association, said the concept of apprehended danger is far from being rational. Furthermore, the associated right to refuse work should be exercised only when there is no other possible way out. He advocates the full exploration of labour-management channels and adds that management sees legislation permitting workers to refuse work as "liable to generate chaos in industry as well as in society."

While most delegates and speakers at the conference seemed to agree that health and safety can be negotiated, there is no doubt that provincial and federal legislation must play a role...

Says Drouin: "It would be illogical for a worker to leave his job due to dangerous conditions without talking the matter over with his immediate supervisors." He contends that a series of discussions should take place between worker, supervisor and senior management before a worker is justified in refusing work he considers unsafe. Drouin says since no man is an island and information and training are obtained from other people, external influences can help a worker enhance his safety consciousness. But, on the other hand, external influences may increase the probability of casualty. "It is apparent that the right to refuse work cannot be based solely on physical factors and environmental conditions," he says.

Terry Ison, law professor at Queen's University, says the right to refuse work must be defined in broad terms in order to have the

greatest potential for improving occupational health and safety.

He says there is considerable scepticism in the labour movement about the good faith of corporate organizations where health and safety is concerned — the workers feel their health is sacrificed in the cause of production. Corporate organizations, however, maintain that the health and safety of their workers takes precedence over other concerns. When management lobbies for a narrow definition of the right to refuse work, employees may feel their suspicions are justified.

Ison says legislated rights for workers, and other forms of government intervention, are needed least in the best-run companies, and health and safety legislation must be designed with reference to the worst conditions if it is to be effective. Joint health and safety committees should include management representation at both planning and operational levels. He adds there is a need for greater worker participation, and there must be freedom of information about health hazards to inspire worker confidence as well as to facilitate orderly improvement.

While most delegates and speakers at the conference seemed to agree that health and safety can be negotiated, there is no doubt that provincial and federal legislation must play a role in the health and safety of our workers. In Canada, federal responsibility in this area is shared by nine departments and agencies, administering 16 separate Acts of Parliament. The provinces and territories are responsible for 221 Acts and 400 sets of regulations under the aegis of 45 separate departments and agencies. The question is whether lawmakers, workers and employers can work together for the common goal of making the workplace healthier and safer for everyone. [g]

The fringe benefits debate

by Bill Megalli

Fringe benefits, which presently account for one third of total annual employee compensation in Canada and the U.S., are emerging at the centre of a controversy whose resolution could have far reaching repercussions for the Canadian economy. Yet despite their importance their role remains poorly defined and largely misunderstood.

Many employees, for example, have become increasingly disenchanted with the range of benefits they are receiving, benefits that only a few years ago were viewed as something of a milestone of workers' achievement. At the same time government and industry are regarding one another suspiciously, each feeling the other is manipulating fringe benefits as a means of gaining a short-term

advantage — the former to acquire political capital, the latter as a useful device for evading government anti-inflation guidelines.

Such a disturbing state of affairs undoubtedly merits a long and careful examination, first to determine how it came about, and second to determine what might be done about it. However, it must be added that in the final analysis, it seems unlikely that anything short of a complete overhaul of both approach and objectives will suffice to solve some of the problems that have emerged in the application and administration of the current system of fringe benefits.

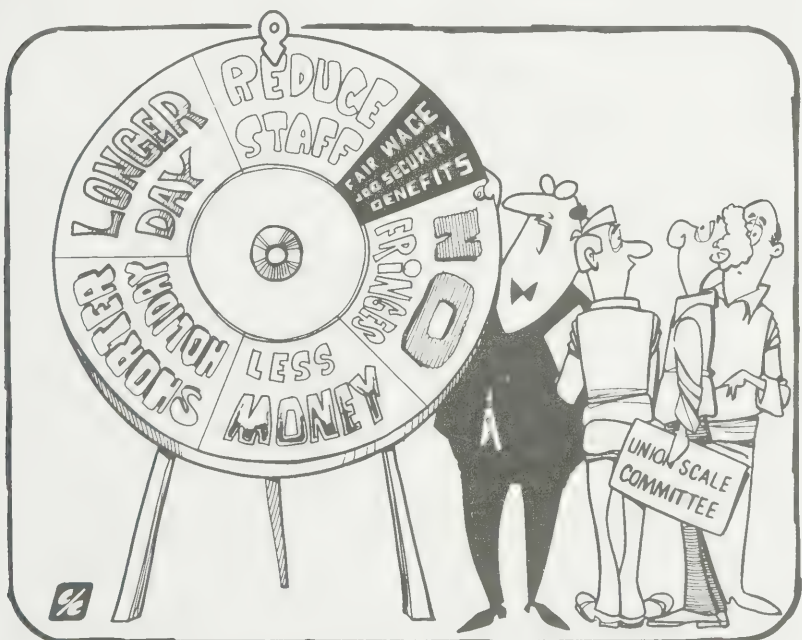
The term "fringe benefits" was first used around 1943 by the U.S. War Labor Board. At that time, the

conditions of a war economy made direct wage increases unfeasible, so companies were encouraged instead to provide indirect benefits to their employees.

Industry proved ingenious in devising various forms of benefits to attract workers in the tight labour market conditions of that period. Since then, fringe benefits have multiplied phenomenally. One important factor in their early growth in the U.S. was undoubtedly the federal wartime tax structure, which tended to confiscate excessive profits, but recognized contributions to health, welfare and pensions as legitimate, and therefore non-taxable, business expenses. This enabled many companies to set up elaborate fringe-benefit plans with little reduction in after-tax income.

Subsequently, fringe benefits have become an important element in labour-management bargaining in both the U.S. and Canada, growing in importance to such an extent that they are presently estimated to represent between one quarter and one third of total compensation costs. In Canada, for example, the authoritative Thorne Riddell survey of fringe benefits, which encompasses a cross-sectional sample of 155 leading companies with a total employee labour force of nearly 438,000, estimated that by 1978 average employee benefit costs had risen to 31 per cent of gross annual payroll, compared to only 15 per cent in 1953.

Of the total fringe benefit figure of 31 per cent, paid vacations, at 6 per cent of gross annual payroll, were the most costly single



Come in, come in, gentlemen, the company would like to introduce a new idea in negotiations.

component. Welfare benefits were next at 5 per cent, followed by organization pensions at just over 4 per cent, coffee breaks and rest periods at 4 per cent and statutory holidays at 3.8 per cent.

The Thorne Riddell survey defines fringe benefits generally as "pay for time not worked." However, it is worth noting that in practice the ever increasing number and variety of fringe benefits defy simple definition. Indeed, one well known text on wage and salary administration lists no less than 113 items that could be classed as fringe benefits. Moreover, the author goes on to stress that even this must be considered a 'selective' list. It is evident that the number of benefits that may be devised for such varied reasons as improving a firm's competitive edge in the labour market, or circumventing anti-inflationary guidelines, is potentially limited only by the ingenuity of the negotiating parties.

Even though employee benefit costs in the United States continue to be higher than those in Canada, it should be noted that for a number of reasons, the difference may in fact be less than it seems. For one thing, old-age security tax is included in the U.S., but not in Canada. For another, the subject has received more thorough study in the U.S., so the sheer bulk of available data could make the difference appear larger than it actually is. In any event, available figures show that employee benefit costs are now rising faster in Canada than they are in the U.S. Between 1973-74 and 1975-76, for example, employee benefit costs in Canada rose from 28.13 per cent to 31.11 per cent of gross annual payroll, an increase of 10.59 per cent, while in the U.S. benefit costs rose during the same period from 32.7 per cent to 35.4 per cent, an increase of 8.3 per cent. It is hard to escape the

conclusion that this faster growth in Canada is due, in part at least, to the introduction of the AIB guidelines on pay in 1975.

It should also be noted that Canada leads the U.S. in granting both employees and their families government protection against such major risks as unemployment and disability — a fact that was emphasized by Claude Poulin, assistant director of the social security department of the United Auto Workers (UAW) in Detroit, during his address to a recent symposium on industrial relations

...fringe benefits are presently estimated to represent between one quarter and one third of all compensation costs

sponsored by the University of Montreal. However, Poulin went on to add that this had not always been the case, pointing to the fact that one major component of the Canadian social security plan, namely the Canada Pension Plan and its counterpart, the Quebec Pension Plan, was scarcely more than 10 years old. He also noted that in contrast to Canada, the United States has not yet established a universal health plan — a fact which makes provisions covering medicare an important element in many U.S. fringe benefit packages.

In many respects Canada's position in the area of fringe benefits is unique, striking a balance between the situation prevailing in the U.S. and that in Europe, where the role of government, under the banner of "social security," is much more predominant. European countries, Poulin noted, in addition to matching fringe benefits applied in North America, "also provide their citizens with much better protection against unemployment than we do, not only in terms of

the amount and duration of benefits, but also in terms of legislation pertaining to the closing of factories and of various controls governing mass layoffs, whether temporary or permanent." Although he went on to add that social measures such as these are almost invariably implemented in the face of opposition from employers and businessmen.

The balance between public and private provision is undoubtedly a highly complex issue; moreover, much depends upon the precise nature of the particular fringe benefit being considered. Some benefits clearly fall more readily into the public domain than others. For example, there appears to be significant support in Canada for greater government involvement in the area of pension provision. At the 1977 Montreal symposium in particular most of the papers presented supported such a development. Indeed, even those who were against it saw a more active government role as largely inevitable, and consequently advised companies to prepare for such an eventuality in their future benefit planning.

One leading speaker, Raymond Depatie, told the symposium: "One of the most hotly debated issues in the past few years is the almost complete takeover of old-age security plans by the government. Not only is harsh criticism being levelled more and more frequently at the system of private pension plans, but also a growing number of people wish that system to be replaced with an improved public plan." In particular, Depatie questioned whether the present private pension plan system was capable of filling the gap that exists between the desired goal of a standard of living for retired people that is not too far below that enjoyed while they were members of the labour force, and that made possible by the existing



social security system. "First of all, a significant percentage of today's workers are not covered by a private pension plan," Depatie observed, adding that where they do exist the pensions paid by private plans are more often than not ridiculously small.

"This is due in part to the fact that a great many companies — particularly those in the small and medium-sized categories — as well as many small public administrations — do not consider themselves capable of providing large sums of money for the financing of pension plans," he said.

"Unfortunately, since it is impossible to expect that the capability and the desire of companies to pay for pensions will miraculously increase, that worker mobility will decrease or that inflation will vanish, it is rather difficult to foresee the day when the private pension plan system will provide adequate pensions for all workers who retire, and not just for a minority who have enjoyed stable employment with a single employer who had both the ability and the desire to set aside considerable sums for the financing of a pension plan." Depatie said improved public plans were therefore a must.

The problems of private provision

in the area of fringe benefits in general, and of pensions in particular, were also raised at the University of Montreal symposium by Jean Champagne of Alcan Aluminium Ltd., who suggested that, "The wide variety of fringe benefits offered by companies and the differences in structure which characterize them are, without question, major obstacles to the movement of employees from one

In many respects Canada's position in the area of fringe benefits is unique, striking a balance between the situation prevailing in the U.S. and that in Europe

company to another." As far as specific benefits are concerned, he went on, "pension plans pose a considerable problem because of the number of years required to accumulate funds. Life insurance plans also present obstacles, since the cost of insuring against risks rises with age." To solve these problems, Champagne suggested that thought should be given to expanding government plans, particularly in the area of pensions, should it become apparent that it would be too difficult or take too long to effectively co-ordinate existing private plans.

The imminence of government action was pointed out at an earlier Conference Board symposium by Garson E. Beadle, director of William M. Mercer Ltd., who also took the opportunity to criticize the government for what he described as the over-generous benefits paid to public servants, which, he said, seemed to make private-sector employees increasingly dissatisfied with their benefit levels. "Where an employer's responsibilities and rights will end, and where government's begin, is being fought over right now," Beadle said. "Who we bargain with for benefits is becoming increasingly vague. So long as it is a union, you can identify it and assess its expectations and strengths. More and more, however, decisions will be made in the political arena, with all the distortions, misread goals, and public coaxing that characterize our present system," he added. Beadle had this warning for companies: "Failure to accurately forecast the future direction of governments in the field of benefits can prove very costly if employers must continue to pay the full cost of plans. In the field of benefits, the question of the future is not so much, 'what will labour demand', but rather 'what will governments impose'.

"If costly oversights, errors and

surprises are to be avoided, employers will have to remain alert to government changes, and act quickly to either influence the direction of government policy or adjust their own plans accordingly," he said. "The turtle race between government and private enterprise to plunge into yet another costly stream of benefits continues, with industry waiting to see what government will do next, and with government nervously watching the rocketing costs of medicare before stepping into the equally bottomless pit of dental care costs." "But" he added "individual items like these are rather inconsequential compared with the general re-ordering of the roles of government and industry which is occurring quietly but rapidly.

"The influence of government," he went on, "falls into several categories, including increasingly generous benefits for civil servants; increases in social benefits such as the Canada Pension Plan, Old Age Security, Guaranteed Annual Income in Ontario, and increased costs from meeting human rights requirements; the use of the tax system to influence the development of private plans and to pay for government plans. This leads us to the point where the integration — or non-integration — of private plans with government plans becomes an increasingly important matter. If plans are integrated poorly, an employer may easily stand accused of saving money at the expense of employees, whenever governments increase their benefits."

One thing that emerged quite clearly from the 1977 University of Montreal symposium was that there was general dissatisfaction with the existing structure of fringe benefits among all the delegates present, whether from the ranks of workers, unions or companies. The UAW's Poulin, explained that unions have been

forced to negotiate a variety of supplementary benefits at the bargaining table, a fact which accounts for "the impact that unions have had on the phenomenal growth of fringe benefits during the last 25 years." Yet the unions remain dissatisfied. "They would actually prefer that the fringe benefits enjoyed by their members be made part of a universal social security plan," he said.

"Have flexibility and a maximum of employees' choices reflected in your plans, so that they can see evidence of concern for their individual welfare and can select benefits to suit their changing needs..."

These observations are clearly very significant, coming as they do from a representative of the UAW, which has nearly 1.5 million members in the United States and Canada, as well as 300,000 retired members. In fact it was the UAW that pioneered the bargaining and development of fringe benefits back in the 1940s. The first industrial pension plan was negotiated with the Ford Motor Co. in 1949, and the first supplementary unemployment benefits plan in 1955.

The UAW also broke new ground by negotiating pension plans for the majority of its members' survivors, as well as dental care plans, eye and ear care plans and others. However, Poulin went on to explain that unions regard fringe benefits as a last resort.

"Compared with public plans, they have several disadvantages in terms of improving the financial security of the population" he said. "First of all, they are distributed unequally: a powerful, well-organized union dealing with a thriving company can negotiate sizeable benefits for its members,

whereas a weak one in a declining sector of economic activity is unable to do so. Furthermore, negotiations for new fringe benefits or for the improvement of existing benefits all too often result in a proportionate reduction in the amount allocated to wages.

"But above all," Poulin emphasized, "union resources are mobilized in an area (i.e. fringe benefits) which, while it is obviously of considerable importance, all too frequently takes precedence over others such as health and safety, which are equally, if not more important."

That workers are dissatisfied with many aspects of existing fringe benefit provision was further illustrated by the remarks of Carson Beadle of William M. Mercer Ltd., who cited the results of a recent 'climate review' designed to elicit employees' perceptions of their compensation and benefits. According to Beadle, the review indicated serious dissatisfaction with their pension plan despite what he termed its 'Cadillac' provisions. Discoveries such as this, it appears, have led many companies to complain bitterly that they are receiving an unacceptably low return from their investment in fringe benefits.

Beadle also suggested that "a significant portion of the value of most compensation programs is being lost because a complete and total approach to all of the combined elements has been difficult to achieve. Because we do not continuously review each item of compensation in terms of the totality of compensation, and because we fail to take full account of our employees' 'perception' of the compensation package, an important share of compensation costs is literally squandered," he said. "Benefit consultants have seen the same oversights, the same absence of a global view, turn

valid and costly income security programs into objects of derision, criticism, and wasted dollars."

Beadle had this advice for employers: "Have flexibility and a maximum of employees' choices reflected in your plans, so that they can see evidence of concern for their individual welfare and can select benefits to suit their changing needs, rather than enduring benefits which have been imposed or sold by an employer and his insurer. In the process, maintain a sound 'base' of benefits which will protect both the employee and employer against potentially unsound employee choices."

The system of providing workers with the opportunity to select benefits to suit their needs has come to be termed "cafeteria compensation." Because of its potential flexibility, such a system is clearly highly desirable in principle; however it is often difficult to implement in practice because of the added strain it places on management and personnel resources. This fact notwithstanding, cafeteria compensation has

apparently been applied in Europe with satisfactory results, particularly by smaller companies with a limited number of employees. In North America, however, it remains a concept which, though widely discussed, is seldom applied. Indeed, in a recent article in the *Personnel Journal*, David J. Thomsen pointed out that while more than 150 articles have been written on the subject, an extensive review revealed only two major organizations that have adopted compensation programs that genuinely qualified as cafeteria plans. Part of this reluctance is undoubtedly due to the potential complexity of such plans, yet with the wide availability of modern computer payroll methods they should be easily within the capability of many Canadian companies.

A further reason advanced for the limited development to date of cafeteria compensation in Canada is the lack of any effective pressure in this direction from unions. Several observers at the Montreal symposium foresaw significant changes in this direction, however. As one speaker put it, "such compensation schemes will undoubt-

edly fare better in the next few years, once enough companies implement them on an experimental basis, and owners, by virtue of competitive pressure, are forced to follow suit."

Reviewing the rather turbulent history of fringe benefits, it appears certain that, despite their many shortcomings, nothing is likely to arrest their growth. Regardless of some disenchantment, management is only too well aware that worker preference for staying with a given employer is often closely related to how many fringe benefits the worker receives. Moreover, workers for their part have consistently displayed a preference for the rearrangement rather than outright abolition of benefit distribution. In one auto parts factory, for example, one third of the employees surprisingly opted for spending new resources for benefits on training and making their work more interesting while another 40 per cent chose to spend money for increased benefits on improving health and safety protection.

In the light of these findings, one speaker in Montreal was led to speculate that: "some day in the not so distant future, employees might even be willing to sacrifice certain existing wage improvements or fringe benefit levels and substitute instead greater improvements in the quality of their work lives in order to assure a longer and healthier life."

It is fact, not mere speculation, to say that a new, more comprehensive outlook on fringe benefits is developing in Canada — part of it undoubtedly out of sheer necessity. Such an outlook should hopefully help resolve some of the seemingly irreconcilable views that were expressed at the 1977 symposium on fringe benefits sponsored by the University of Montreal. [g]



"WOULD YOU MIND HURRYING?
MY TRANQUILIZER IS WEARING OFF."

A conversation with John Bulloch

by Paulette Bourgeois

John Bulloch Jr., 43, the son of a tailor, and an engineer by profession, erupted onto the public scene when he led the insurrection against Edgar Benson's 1969 tax reforms. Now he hobnobs with the Prime Minister and pontificates, from his suburban Toronto office, on the evils of taxes, large business and the Third World threat. His ramblings might be ignored if they were not coldly reasoned and if he were not the president of the fastest growing pressure group in the country — the Canadian Federation of Independent Business.

In less than five years, Bulloch has watched his following grow from a smattering of tax reform loyalists to an organization that boasts 46,000 members and a budget of \$3 million. It is the powerhouse that challenges the Canadian notion that big is better — and Ottawa is listening. The Federation claims it persuaded Ottawa to amend the Income Tax Act to soften the bite on small business and takes partial credit for the UIC and Manpower merger. Witness the appointment of a minister for small business and it is clear that Ottawa thinks Bulloch has some ideas worth considering.

If the Federation is successful, it is because Bulloch knows how to get attention and throw his weight around. "The country needs Munro's 14 points like it needs a hole in the head," he shouts. "You could dump 100,000 bureaucrats in about two years if you had to — they aren't really necessary," he



Bulloch, with Global Television's business editor Raoul Engel.

says, attacking big government spending. It is vintage Bulloch; but behind the brash outspoken façade is a man with ideas who wants action.

The Federation has adopted a National Industrial Policy, something the government has yet to realize, which suggests Canada must increase regional self-sufficiency and Canadians must

...behind the brash outspoken façade is a man with ideas who wants action

increase their self-reliance. Bulloch says that unless the individual identities, priorities and dignities of each region are faced Canada will founder. Resources must be diverted to developing new industries and energy sources and there must be a reduced reliance on the public and private bureaucracies, he says. Canadians cannot expect the government alone to deal with the realities of slow growth and expensive energy.

"There is almost no short-term change in educational policy, no short-term change in tax policy, no fiddling with exchange rates that

is going to affect the fact that there are 10,000 manufacturing jobs a month leaving the country," he says. Furthermore, Canadians are going to have to hurt before things get better. "The country has to take a cold bath before it can redirect its resources. We are going to hurt for five more years. There isn't much the government can do to really turn around the mess we are in until the 1980s."

Although Bulloch is confident Canada will survive if it follows his small-is-beautiful theory, he paints a gloomy picture of the next decade. Developing countries have enormous numbers of low-paid workers making products that undersell labour-intensive manufactured products in Canada's own markets. At the same time Canada is bound by a commitment to free access to Canadian markets because of the General Agreement on Trade and Tariffs.

"The country has to take a cold bath before it can redirect its resources. We are going to hurt for five more years"

"The key to international development is small-business development," he says adamantly. "There just isn't enough capital anywhere in the world that can provide jobs for the armies of young and educated kids pouring on to the job markets in the Third World." The key is also Canadian research and development: to replace the jobs that will be lost to Third World competitors and through American-owned branch closings, Canada must rely on development

of an indigenous secondary manufacturing sector that is capable of supporting itself over the long run, says Bulloch.

If the Third World is generating an army of educated young workers, Canada is facing its own problems with unemployed and underemployed youth. More than 30 per cent of Bulloch's members complain that they cannot find skilled labour.

"Our problems are a function of a decade of affluence. Now the era of affluence is over and it won't ever come back again. Once people understand the reality of what that means there will be changes in social policy as well as manpower policy. Every kid won't grow up to be a vice-president of marketing or sales. They may have to work with their hands. Parents have to change their aspirations for their children when they realize education prepares you for nothing other than filling out unemployment insurance forms."

Government education programs aren't the answer he says flatly. He points to Europe where 75 per cent of the young go into apprenticeship programs. That isn't necessarily the Canadian solution he says, but he thinks there will be more education in later life and more on-the-job-training in the future.


According to Federation literature, the three biggest problems facing small business are paperwork, regulations and taxation. But high on the problem list is the threat of unions. Generally the union leaders and small businessmen

"We want to see massive sub-contracting from the public to the private sector and from large corporations to small business. The unions want to prevent that so their membership doesn't fall"

see eye-to-eye, but Bulloch feels their stand on sub-contracting could kill the future of small business.

"We want to see massive sub-contracting from the public to the private sector and from large corporations to small business. The unions want to prevent that so their membership doesn't fall. To me, that doesn't seem to be in the public interest."

Although Bulloch says he is sympathetic to the union cause he also thinks unions only take hold where there is poor management. Bulloch is a strong supporter of the U.S. right-to-work laws. "A lot of people see that as reactionary, but the more I look at it, the more I like it," he says. "I think you will see it become law in British Columbia within a year. It will become a big issue in Canada and that's like waving a red flag in front of a union leader. They just go beserk."

Bulloch admits he may not have all the answers — just most of them. And one thing is certain, he has discovered the last hidden oppressed minority — the bakers, the grocers, the tailors and the manufacturers of coathangers and bath mats. They finally have a voice and it's booming. 

comment

An eternal search for gimmicks

The discussion goes on and on about effective managerial styles. Everybody wants a simple formula, a simple description of a simple technique on how to maximize employee productivity. Old philosophies get stale. Give us something new. Maslow, McGregor, Argyris and Likert are old hat. It's like changing doctors: we know what the ailment is and we damn well know the cure. But we hope that a new medicine man will scare away the bad spirits, without our having to agonize through a change.

A correspondent writes: "Whatever happened to behavioral science?" A visiting human relations specialist is asked, "What's new in the human relations field?" It's an eternal search for gimmicks and yet we are all critical of gimmickry.

Some of us conceive of ourselves as being too sophisticated to examine or re-examine old principles of good human relations. The GOLDEN RULE? That's ancient history, man! Or perhaps we believe that Mr. Average Employee has become too sophisticated or too cynical to respond.

Or we may say: don't give me that crap about a man's hierarchy of needs. You see that man over there? I've tried everything on him, to motivate him. All he needs is one great big boot in the ass. If I give it to him, I'm the one who'll

get fired. I've had him right up to the eyebrows so maybe you'd like to find what his next higher need is. And I've had it right up to there too on all that motivation and behavior guff.

So it's not working and we wonder why.

Sometimes it helps to study the same kind of problem, set in a different environment. Take a look, for instance, at a marriage that's on the rocks. EVERYBODY knows why that marriage is failing. Everybody knows the cure. The cause is that he/she is violating some simple human relations principle. Bring in the experts and the problem starts getting buried under a pile of abstractions. The simple solution — start treating her or him with respect — gets lost. And even if it's not lost, even if the person is fully aware that the central problem is his/her own wrong attitude, will he or she change it? He MAY, but he can only do it if he has the strength and determination to overcome his worst enemy: himself.

So don't knock the old principles. Keep it simple. Don't confuse the issue with gimmickry. Take a leaf out of the old JIT (Job Instruction Training) book: if the learner hasn't learned, the teacher hasn't taught. Turn it around a bit and face the fact that if you are not managing people efficiently, you're not a good manager. Don't blame the people whom you are trying to manage. Who is in charge? Who has the responsibility?

Sitting on every failed manager's shoulder is his favourite devil: attitude. Don't we just love the rascal! Do you really want to get rid of the devil? Do you want to move things, using people? Picture this scene:

You, a theory "X" manager, are in a boat (up the creek) without oars, and you are drifting down to the falls (disaster, a failed career) and you can't swim.

And there's a man on shore who can throw you a rope (getting things done, through people) and he is inferior to you (a subordinate).

What ATTITUDE will determine the kind of words you will use when you call for his help? Will you say "Don't stand there, you dumb bugger. THROW ME THE ROPE!"

Every manager of people is up the creek, without a paddle, every working day of his life. And every day, in every contact, his attitude should be influenced by the selfish realization that, if he doesn't get help from the man on shore, he is headed for disaster. That's fair incentive to change an attitude.

Apart from making a persistent effort to apply good principles of human relations, one needs still another ingredient: a confident hope that over the long haul, the results will meet expectations. It can be very discouraging to use new (good old) human relations practices in an environment in

which there is a strong backlash from old theory "X" attitudes and actions. But organizations don't turn themselves around in a day or a week, or even in a year. Old suspicions, old attitudes, old adversary relationships die a hard death. And so do our own frailties.

A plea for solidarity

I am a union man down to the last molecule, but one who is not amused by the current state of affairs. In fact, I am a little on the angry side. For in the past five years, the labour movement has done a remarkably poor job of self-promotion.

Let us say that there has been *movement*; but it has been at best slow, debilitating, and undeniably backward. (Immediately, I hear cries of "foul," "brainwashed patsy," "negative publicity," and "slanted media coverage"). Tough. Just what do we expect? What do we expect when fully two thirds of the Canadian labour force is non-unionized, and the bleatings of the other one third are nothing but reactionary drivel? I'll tell you what we can expect — more Rand Formulas, more pooh-poohing of the media, an ever-decreasing brotherhood, and the alienation of the next generation of Canadian labour.

Good heavens, have you talked with the young lately? It appears that union membership is as popular with the young as big-band jazz and scurvy; which is to say, not at all. And why is it that young workers find the taste of union brotherhood so bitter? Is it because 'solidarity' has come to mean absolutely nothing? Is it because social and economic justice has more to do with the grievance pad than with real commitment? Or is it perhaps that 'worker's rights' have come to

So send not to ask why it worketh not. Look into thyself, man.

J.R. Nadeau

Associate Editor
Canadian Personnel and Industrial
Relations Journal

mean 'executive privilege', and are tossed over when the cent-per-hour haggling begins?

Do you not see that solidarity, one-for-all and all-for-one — the old gut-quaking, fire and hellstone selflessness has been abandoned? When you hear young workers speaking of 'the right to work' and the right not to belong, surely then you *must* be aware that something is seriously wrong with the direction (both philosophically and authoritatively) of the labour movement in Canada.

Solidarity. What is that? One million workers off the job during a day of protest two years ago? Hell, it was a waste of time for everyone but the slogan writers and placard makers. There was more solidarity shown by the workers who remained *on* the job. And these are the people, the great majority of workers who feel that we have nothing more to offer than petty demonstrations and tired strains of an old Wobbly ditty. Perhaps if we made some sensible, visible signs that organization is to be desired; some attempt at education; some unselfish spade work that would show every barefoot boy from St. John's to Victoria that union people care about his right to a decent level of income, then, maybe...

But. June 9th, 1977, the electorate of Ontario went to the polls and the candidates of the New Democratic Party were abandoned — yes, *abandoned* by the working, unionized voter. Why? Because

that party had the audacity to suggest the minimum wage be raised to \$4.00 per hour, that's why. The brotherhood was angered that its own party had actually proposed such a heinous idea. These workers and trade unionists were afraid that:

- 1) If the unorganized received a decent, humane wage, no one would want to join a union;
- 2) There would be no 'status' in being a union member, with the unorganized hauling in such a 'hefty' wage;
- 3) If Joe Blow gets four bucks without having membership, why should I pay union dues and get only eighteen cents more than he on a three year contract?

And there you have it, brethren — the death of the labour movement. Everytime I hear the word 'solidarity' I choke. For if we choose to abandon our political and social ideals; if we choose to abandon the political and economic necessity of unions; if we choose to abandon our unorganized brothers and sisters because they may wind up *equal* — then the labour movement is worse than dead — it is a phoney, sickening sham.

Ken Duffin

CUPE Local 1946
Guelph, Ont.



Books

Work and Wages

by **Jean Evans Sheils**
and **Ben Swankey**,
Trade Union Research Bureau,
Vancouver, 1977.

Arthur Evans, known as "Slim" to his friends, rates a prominent place in the history of the labour movement in Canada; both because he was a colourful personality and because of the part he played in important events.

Best recognized as leader of the Vancouver-to-Ottawa Trek of 1935, Evans also was a leader in many areas of organization and left-wing politics in British Columbia and Alberta. *Work and Wages* is the story of his life, from 1890 to 1944.

Described by the authors as "a semi-documentary" this is a collection of official documents, Evans' own recollections, newspaper accounts and interviews; all laced together by the authors' comments. The book's 8½ by 11 inch format lends itself to this treatment. Some may find the book too detailed. The authors have apparently drawn heavily on the 52 volumes produced by the inquiry into the Regina Riot, but in places the sources are not identified quite as clearly as they might be. Nevertheless, this is an impressive and interesting collection.

Evans was a dedicated Communist, one of the authors is his daughter, the publisher is a recognized left-wing organization. All

this naturally leads to a particular point of view; but it is one from which it is logical to examine "Slim" Evans' story. This collection of material further substantiates the opinion of Canadian labour historians that a unique contribution to the development of unions in Canada was made by Communists and their organizations, regardless of the long-term objectives. They were often prepared to tackle difficult and unrewarding challenges in which the established trade union movement showed little interest. Evans was in the forefront of such efforts.

Born in Toronto, he went to the western United States as a young man. It was there that he came in contact with the revolutionary Industrial Workers of the World —

the IWW or "Wobblies". He was on the scene of the famed Ludlow Massacre in Colorado and suffered a leg wound.

A short time later, as an officer of the United Mine Workers in Alberta, he ran into trouble with the union when he diverted international union headquarters funds into a strike fund. He was charged with fraudulent conversion, convicted and served time. But he never repented the action.

A carpenter by trade, he had a running feud with the establishment officers of the United Brotherhood of Carpenters and Joiners. Beyond these difficulties, his union activities resulted in frequent clashes with the authorities, and he became familiar with the inside of a number of jails.

What You've Always Wanted to Know about Work has been produced by Labour Canada to inform young people about the working world.

It contains a series of easy-to-read articles dealing with some basic aspects of Canada's industrial relations system: the framework; the roles and responsibilities of the different participants; the objectives and problems; as well as a glance to the future.

Copies of this publication can be obtained free, in English and French, from the Public Relations Branch, Labour Canada, Ottawa, or from one of the department's regional offices across Canada.

More than half the book is devoted to the Ottawa Trek, starting with the unrest in British Columbia relief camps where young men were working for 20 cents a day. In June 1935 nearly 1,000 men, led by Evans, climbed aboard freight trains in Vancouver, bound for Ottawa to present their grievances to Prime Minister R.B. Bennett. They were joined by others along the route; but Bennett issued orders to the police to halt the trek at Regina.

At the government's suggestion a small committee went on to Ottawa to meet members of the cabinet. It was a boisterous but fruitless meeting. Bennett called Evans a criminal and Evans retorted that the Prime Minister was a liar. The meeting deteriorated into a shouting match.

Then came the Regina Riot, which occurred when police broke up a

meeting in the city's market square. In the melee a policeman was killed and scores were wounded. Police arrested 50 trekkers. A subsequent investigation reflected unfavourably on the police performance; but the affair marked the end of the trek. Transportation was provided for the men to return to their homes.

Ill health forced Evans' resignation as an organizer for the International Union of Mine, Mill and Smelter Workers in 1939. His last job was in a West Coast shipyard, and it was typical that he should still be active as a shop steward. He died of injuries received when he was struck by a car.

Evans would be proud of this memorial to his work.

Jack Williams

International Labour Standards

A workers' education manual

International Labour Office,
Geneva, International Labour
Organization, 1978

With this workers' education manual, the International Labour Organization (ILO) has "demystified" its role as a standard setting organization. It spells out the ILO's history in seeking standards, the ways in which standards may originate, and the lengthy process of tripartite consultation and discussion that precedes the adoption of a convention or recommendation by the International Labour Conference — the ILO's annual conference.

Just how much consultation is involved in reaching an "internationally agreed upon standard of good practice in labour matters" is illustrated by a case history — the Guarding of Machinery Convention. Work began on it in 1959, when the ILO governing body instructed the director-general to submit a report on the law and practices in ILO member states on the sale, hire and use of inadequately guarded machinery. Four years were required to complete the process of circulating a preparatory report to governments, appointing a tripartite committee, adopting the committee's report and circulating it to governments for comment and the presentation of the committee's final text of a convention to the International Labour Conference that adopted it.

International Labour Standards

also presents a "bird's eye" view of the ILO standards adopted so far and outlines the complaints procedures for dealing with alleged violations of conventions by member states. A final chapter is devoted to the practical effects that conventions and recommendations have had over the years among member states. It contends, and rightly so, that the standards "have exerted and continue to exert their influence in every corner of the world, in industrial and developing countries alike, and that the policy pursued by the ILO of adopting standards designed to be universally applicable would appear to be still fully valid today." One obvious reason for this is the lengthy process of consensus achieving among disparate interests described in detail in the manual's 98 pages.

An appendix classifies the standards by topics under 10 main headings that indicate their wide range: employment, conditions of work and social policy, social security, industrial relations, employment of women, employment of children and young persons, special categories of workers, labour administration, and tripartite consultation.

While written primarily for workers' education instructors and trade union officials, this manual is useful for law students, industrial relations practitioners, legislators and anyone interested in human rights, including the right of freedom of association. It is particularly useful for Canadians involved or interested in industrial relations because it demonstrates that while tripartism may be a possible means of achieving relative harmony among government management and labour on some issues, it is by no means an easy one.

Roy LaBerge

Research Notes

Arbitration

Industry and Expedited Arbitration: Alternatives to Traditional Methods. Federal Mediation and Conciliation Service, Labour Canada, 1977.

Statistical studies as well as views expressed by those involved in the grievance arbitration process have indicated that the process is subject to undue delays, formalities and excessive costs. This study analyzes and compares various approaches to 'industry' and 'expedited' arbitration in Canada. These terms encompass systems used in specific industries whereby a 'permanent' arbitrator or panel of arbitrators is selected to hear grievances arising under the collective agreement as well as procedures or mechanisms designed to expedite the arbitration process.

A number of basic features to speed up grievance arbitration recur in many of the industry and expedited grievance arbitration mechanisms. They include the use of sole arbitrators named in collective agreements, regular dates for grievance hearings, informality in the conduct of hearings, the disposition of a number of cases on a given day and requirements for accelerated rendering of awards. Most of the mechanisms, it is concluded, have reduced or eliminated all or many of the inherent defects in the conventional grievance process. In varying degrees, they have reduced arbitration costs, delays and case volume.

"How Compulsory Arbitration Affects Compromise Activity," by Hoyt N. Wheeler. *Industrial Relations*, February 1978.

Critics of conventional compulsory arbitration have long maintained that it discourages good faith efforts on the part of union and management negotiators to reach agreement. This study introduces a set of measures of compromising activity in bargaining and analyzes these to determine whether compulsory arbitration does in fact have a detrimental "chilling" effect on bargaining.

The sample on which the research was based consisted of 140 U.S. cities which bargain collectively with locals of the International Association of Firefighters. The strategy adopted for data analysis was to construct a series of measures of compromising activity or movement by the parties from their previous positions and then to compare scores obtained in the presence of a compulsory arbitration law with scores obtained in its absence. Less movement in the presence of a compulsory arbitration law was viewed as supportive of the argument that compulsory arbitration chills bargaining.

The data provide some evidence that conventional compulsory arbitration does have a chilling effect on public sector collective bargaining with firefighters. This effect is suggested most strongly when one views management bargainers who appear to have had a reluctance to change their position on wages

where a compulsory arbitration law existed. That some kind of chilling or inhibitory effect is present is also suggested by the data which show that the gap remaining between the parties' impasse positions was greater under compulsory arbitration than in cases where fact-finding was used as a method of dispute settlement.

Hours of work

La Semaine Comprimée et les Travailleurs, by Viviane Benmouyal-Acoca, René Boulard and Bernard-M. Tessier. Quebec Ministry of Labour and Manpower, 1977.

This study analyzes the effects of the compressed work week on job satisfaction and on family and social life. The research was based on questionnaires completed by 938 employees in 42 Quebec firms who worked schedules ranging from 3 days of 12 hours or more per day to 4½ days of 8-9 hours.

The responses revealed that there was no positive link between the compressed work week and job satisfaction. Nevertheless, there was little doubt that the great majority of the workers were not dissatisfied and indeed were even happy with the schedule. The effect on off-the-job satisfaction was found to be strongly positive, particularly with regard to family life and to the possibilities of making more effective use of leisure time. The study also revealed that while fatigue was

considered to be a drawback by 28 per cent of the employees, only a small minority viewed this as an actual problem. Those who did see it as a problem tended to be those who worked the longest daily hours, though the nature of the work performed was also a factor.

Job satisfaction

“A New Approach to Studying Worker Job Preferences,” by Moshe Krausz. *Industrial Relations*, February 1978.

Most studies on the relative importance of various job factors are based on asking workers to rank these factors in order of importance. In the author's view, the order of importance of job factors is influenced by the methodology used to elicit the preference order. This study outlines an approach which yields more objective measures of worker preferences.

The study is based on answers to a research questionnaire by 233 persons, mostly managers or persons preparing themselves for a managerial career. The questionnaire consisted of a series of job descriptions, each of which contained six different reward factors (salary, job security, etc.) with each factor representing one of five possible levels (ranging from ‘low’ to ‘high’) of fulfillment of that factor. Respondents were asked to rank the descriptions as a whole. On the basis of this, it was possible to derive objective rankings of the various reward factors. A second part of the questionnaire called for explicit subjective evaluations of the same six job factors. Subjects were asked to rank the factors in order of importance when making job choice decisions. In addition, they were requested to assign importance weights to each factor.

The results revealed discrepancies between the subjective and objective importance weights. The most striking difference related to the job security factor, which ranked low in both types of subjective evaluation yet achieved the highest objective weight among the six factors studied. The author explains this by the fact that managers sense psychological pressures to repress the true nature of their emotions and needs.

The labour market

“Employment perspectives in industrialized market economy countries,” by David H. Freedman. *International Labour Review*, January-February 1978.

A number of factors suggest that high unemployment will remain a problem in industrialized countries until the early or mid-1980s and that some labour force groups will continue to be affected more severely than others. Until the impact of lower birth rates is felt around 1985, youngsters will continue to enter the labour force in sizeable numbers, exacerbating the already serious unemployment problem of this group. Women may also face growing employment problems, for unless the stock of jobs is increased to meet their work aspirations, more and more women will be competing with other labour force groups for scarce employment opportunities.

Adding to the problems that are likely to result from greater labour supply are various structural impediments, such as the possible saturation of certain labour-intensive industries, increasing mismatches between labour supply and demand, and increasing rigidities in the labour market. While many of these impediments can be attacked only through

active manpower programs, there appears to be scope for regulating labour force participation and labour supply to correspond better to manpower requirements and economic circumstances.

Occupational health

The Dimensions of Industrial Disease, by Terence G. Ison. Industrial Relations Centre, Queen's University, Kingston, 1978.

It is part of the conventional rhetoric of occupational health that optimum conditions can best be brought about by the co-operation of labour and management. However, the traditional position in labour relations assigns to management's rights all questions that relate to the most effective methods of preventing industrial disease. It is only the least effective methods that can usually be advanced by labour-management co-operation. Emphasis on this approach, therefore, can be counter-productive in diverting attention from, rather than towards, the causes of industrial disease and the most effective methods of prevention. The author maintains that the labour relations framework, combined with the organization of medical education and of claims adjudication, have created a structure that tends to underestimate the dimensions of industrial disease.

Pensions

Women and Pensions by Kevin Collins, Canadian Council on Social Development, 1978.

Although women have a huge stake in the great pension debate and the indexation issue, they have been largely ignored, writes Kevin Collins, author of *Women*

and Pensions. He points out they live longer than men, they tend to retire earlier, they earn less, and many pension plans provide women with less benefits than men.

The work force is changing and yet pension plans are ignoring social trends. Households headed by women over 65 will number three-quarters of a million by 2001. The elderly, particularly women, are living in shocking poverty, says Collins. In 1975, 76 per cent of the single, divorced, widowed women 65 years of age and over earned incomes below \$4,000 with the median level at \$2,839.

Collins recommends the elimination of the Spouses Allowance program in the public pension system because of the glaring inequality between married women 60-64 and other women of the same age group. The allowance of a married spouse who becomes a widow before she is 65 is cut off, and single women are forced to live in poverty. He also says "poor vesting arrangements particularly affect women and result in a large element of subsidization by them of the private pension system, in view of their high turnover rates and high likelihood of receiving only their contributions back upon termination of employment."

The Old Age Security and Guaranteed Income programs should be income tested and extended to the 60-64 group according to the report. It also suggests the elimination of some tax expenditures (exemptions of one-half of capital gains, the Registered Home Ownership Savings Plan contributions and the dependent children deduction) would amount to billions of dollars which could provide the funds necessary for improved benefits in the public pension system.

Women's lower earnings and less regular employment result in them normally receiving lower pensions than male workers when they retire, a study by the United States Urban Institute finds. The Institute's Program of Research on Women and Families studied pension programs in France, Sweden, West Germany and Britain, and concluded that revisions in pension systems are needed in many industrialized countries to protect women's rights.

Work stoppages

"Concentration of industrial stoppages in Great Britain; 1971-1975." *Department of Employment Gazette*, January 1978.

Previously reported research by the British Department of Employment revealed that almost 98 per cent of manufacturing plants were free of work stoppages in an average year during the period 1971-1973. It was found, however, that the number of employees in establishments free of stoppages was about 81 per cent in an average year, indicating a concentration of stoppages in large establishments.

This recent article updates the analysis for the years 1974 and 1975. The earlier finding that, in an average year, the proportion of plants in manufacturing industry experiencing stoppages is close to 2 per cent remains true for this later period, though the proportion of employees in stoppage-free plants fell to 77 per cent. An analysis of the data by size of establishment shows that, in 1974 and 1975, fewer than 6 per cent of the plants employing up to 500 employees had stoppages, compared with 17 per cent of plants employing 500-999 workers and 35 per cent of those employing more 1,000 or more.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations writer and researcher in Kingston, Ontario.

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*.

1976: October.

1977: February, August, October, November.

1978: April, May.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Arbitration, Industrial

Beeler, Duane. *Arbitration for the local union.* Chicago, may be purchased from Union Representative, Roosevelt University, 1977. 105p.

Handbook for local union officers. Discusses the arbitral process, interpretation of agreements, the concept of past practice, presentation of evidence, and protection against discipline and discharge.

Company Unions

Levant, Victor. *Capital & labour: partners? two classes — two views.* Toronto, Steel Rail Educational Publishing, 1977. 276p.

Corporations

Kanter, Rosabeth Moss. *Men and women of the corporation.* New York, Basic Books, 1977. 348p.

Corporations, International

Multinationals, unions, and labor relations in industrialized coun-

tries. Robert F. Banks and Jack Stieber, editors. Ithaca, N.Y., New York State School of Industrial and Labor Relations, Cornell University, 1977. 200p.

Conference papers by union, management, government and academic representatives, focussing on three major issues: the locus of industrial relations decision making in multinationals; the impact of multinationals and unions on home and host country industrial relations systems; and the response of organized labour to the MNC challenge, including union attitudes, policy alternatives, and tactics and strategies used in combatting the impact of multinationals.

Directors of Corporations

White, Terrence H. *Power or pawns: boards of directors in Canadian corporations.* Don Mills, Ont., CCH Canadian Limited, 1978. 88p.

Educational Leave

Moltke, Konrad von. *Educational leave for employees; European experience for American consideration,* by Konrad von Moltke and Norbert Schneevoigt. San Francisco, Jossey-Bass, 1977. 269p.

Programs sponsored by employers for learning during non-working hours are common in the U.S., and a few unions have negotiated

leaves in their contracts. This study analyses the leave policies of various European countries, which have gone much farther. Includes discussion of problems in educational leave policies.

Hours of Labour

Québec (Province). *Ministère du travail et de la main-d'oeuvre. Service des études en organisation du travail. La semaine comprimée et les travailleurs — incidences sur la satisfaction au travail et la vie extra-professionnelle: rapport-synthèse de recherche,* par Vivianne Benmouyal-Acoca, René Boulard et Bernard-M. Tessier. Québec, Éditeur officiel du Québec, 1977. 167p.

Stewart, John Carroll. *A flexible approach to working hours.* New York, AMACOM, 1978. 278p.

Industrial Disputes

Québec (Province). *Ministère du travail et de la main-d'oeuvre. Direction générale de la recherche. Grèves et lock-out au Québec, 1966-1976: quelques précisions sur les modes de compilation,* par François Delorme, Gaspar Lassonde et Lucie Tremblay. Québec, Éditeur officiel du Québec, 1978. 36p.

Industrial Relations

Crispo, John H. *The Canadian industrial relations system.*

Toronto, McGraw-Hill Ryerson, 1978. 570p.

A basic introductory text in Canadian industrial relations. Chapters discuss the nature of the Canadian socio-economic-political system; the constitutional and legal system; the changing industrial relations climate; employer policies and practices; employee organizations; the history and structure of the labour movement in Canada; the philosophy, politics and problems of the Canadian labour movement; third party interests in collective bargaining; the labour market; labour standards legislation; personnel administration; collective bargaining; industrial conflict; inflation and collective bargaining; and the future of industrial relations.

Labour Conditions

Palm, Goran. *The flight from work.* Translated by Patrick Smith. Introduction by Dorothy Wedderburn, with a foreword by Peter Docherty. Cambridge, Eng., Cambridge University Press, 1977. 204p.

Experience of a Swedish writer who worked incognito as a manual worker in a factory. Suggestions for the improvement of the work situation include radical changes in work organization, union operation and shop-floor attitudes. Comments on the suggestions are provided by the author's co-workers and by management and the unions.

Older Workers

Kendig, William L. *Age discrimination in employment.* New York, AMACOM, 1978. 83p.

Pensions

Lucas, Harry. *Pensions and industrial relations; a practical guide for all involved in pensions.* Oxford, Pergamon Press, 1977. 191p.

Written from the British trade union viewpoint, and designed to assist union and management representatives in dealing with a broad range of pension questions during consultation and bargaining. Examines current legislation,

the planning of pension schemes, communication of pension information to beneficiaries, and membership participation in pension schemes.

Retirement

Sheppard, Harold L. *The graying of working America; the coming crisis in retirement-age policy,* by Harold L. Sheppard and Sara E. Rix. New York, Free Press, 1977. 174p.

Women — Employment

Mackie, Lindsay. *Women at work,* by Lindsay Mackie and Polly Pattullo. London, Tavistock Publications, 1977. 192p.

Discusses prejudice following British women in education, training and the work place, and the unique problems faced by working women in the care of children and coping with housework. Summarizes current legislation on sex discrimination, equal pay, health protection, pensions and maternity leave and pay.

PRICES, EMPLOYMENT, AND EARNINGS

THE LABOUR MARKET — APRIL 1978

The seasonally adjusted unemployment rate remained at the record high of 8.6 per cent in April, as a slow growth in employment (0.1 per cent) was accompanied by a similar growth in labour force.

The small increase in the labour force was associated with a

marginal decrease in the *participation rate*. While the participation rate for adult men was unchanged (81.0 per cent) that for adult women increased 0.2 percentage points (to 43.8 per cent). Thus the direction in the overall participation rate was determined by the drop of 0.6 percentage points in the youth participation rate (to 63.5 per cent).

The weakness in the *growth of employment* was evident in the declines of employment for youths (-0.5 per cent) and adult males (-0.1 per cent). There was, however, a significant growth (1.1 per cent) in adult female employment, as employment for this group continued to be strong. In the last three months, adult female employment has increased 2.6 per

cent (10.8 per cent at annual rates) from the previous three-month period.

Unemployment rates declined 0.3 percentage points both for youths (14.8 per cent) and adult females (7.8 per cent) and increased by the same amount for adult males (5.4 per cent).

On a *regional basis*, employment growth varied somewhat. Relatively strong growth in the Atlantic region (0.8 per cent) and weaker growth in Ontario (0.5 per cent) and British Columbia (0.5 per cent) outweighed small declines in Quebec (-0.2 per cent) and the Prairies (-0.2 per cent).

Unemployment rates declined in two regions: British Columbia (to 7.7 per cent) and Quebec (to 11.2 per cent). The rate was unchanged in Ontario (7.4 per cent) and increased in the Atlantic region (to 13.2 per cent) and in the Prairies (to 5.5 per cent).

The *actual* level of employment in April at 9,752,000 was 327,000 (or 3.5 per cent) higher than a year ago, and the labour force at 10,750,000 was 410,000 (or 4.0 per cent) higher, as the participation rate moved up 1.1 percentage points (to 61.3 per cent). Consequently, the unemployment level at 999,000 was 85,000 higher than a year ago; and as a per cent of the labour force the actual unemployment rate was 9.3 per cent, 0.4 percentage points higher than April 1977.

JOB VACANCIES — FIRST QUARTER 1978

The average number of jobs vacant on a daily basis, reached 37,800 for the first quarter 1978, up 6 per cent from 35,600 in the last quarter 1977, but compared with the first quarter of 1977 vacancies dropped by 1,900, or 5 per cent.

Vacancies for full-time jobs increased 10 per cent to 34,100 from 30,900 in the fourth quarter 1977.

Jobs unfilled for more than four weeks declined 2 per cent to 11,800. For every 1,000 existing jobs, 4 were vacant, as in the fourth quarter. Comparable rate a year ago: 5 per 1,000. Highest vacancy rate: Alberta, 9 per 1,000. New Brunswick and British Columbia had the lowest vacancy rate, 3 per 1,000.

THE CONSUMER PRICE INDEX — APRIL 1978

The Consumer Price Index was up to 171.2 (1961 = 100) in April an increase of 0.2 per cent from March. This slight increase, the smallest since December 1975 came after a very steep rise in March. The twelve-month rise from April 1977 stood at 8.4 per cent, down from 8.8 per cent registered in the previous month. The deceleration was due almost entirely to the recent reductions in the provincial sales tax. As a result, the all-items excluding food index actually decreased (-0.4 per cent) — the first decline in eight years.

The impact of the sales tax is more obvious when prices are viewed in terms of *goods excluding food*. The decrease (-1.0 per cent) of this index was attributable only to lower prices for taxable items as was evident in the substantial reductions for durable goods (-1.9 per cent) and semi-durable goods (-2.6 per cent). On the other hand, other goods excluding food increased (0.4 per cent): in particular alcoholic beverages (3.2 per cent) and tobacco (1.5 per cent).

In spite of the drop in the prices of non-food items, the overall index

increased because of a substantial rise in food prices. Higher prices for beef, up 8.9 per cent in April (44.3 per cent from a year earlier) was the main contributor. Notable impact also came from increased prices for many fresh fruits and vegetables, for chicken and for certain dairy products, while prices for pork declined (-1.4 per cent). On a year-over-year basis the food index increased 14.7 per cent.

The non-food components that particularly contributed to the decrease were: clothing (-2.7 per cent), transportation (-0.4 per cent), housing (-0.1 per cent) and recreation, education and reading (-0.2 per cent). Partially offsetting the impact of the sales tax reductions were increased prices for tobacco and alcohol products in many provinces, higher postal rates, and increased air fares. The all-items excluding food index advanced 6.1 per cent from a year ago, down from the 7.0 per cent registered in the previous month.

EARNINGS AND INCOME — FEBRUARY 1978

On a *seasonally adjusted* basis, *average weekly earnings* for the industrial composite increased steeply (1.0 per cent) between January and February after a significant decline (-1.2 per cent) in January. All industry divisions (except finance, insurance and real estate which declined) and all regions participated in the increase.

On an *unadjusted* basis, average weekly earnings for the industrial composite increased 6.5 per cent to \$258.40 in February from \$242.63 a year ago. In real terms this amounted to a *decrease* of 2.1 per cent. In *industries*: the increase in mining was very steep, 9.3 per cent on a year-over-year basis (to \$371.97); manufacturing

increased 8.1 per cent (to \$280.30), construction 8.4 per cent (to \$380.45), trade 7.3 per cent (to \$197.87), and services 4.8 per cent (to \$176.13). By *regions*, the highest increase was experienced in Quebec with an average weekly earnings of \$255.23 (7.8 per cent), followed by Ontario \$258.70 (6.9 per cent), the Prairies \$256.90 (6.7 per cent), British Columbia \$293.94 (6.7 per cent), and the Maritimes \$229.11 (5.4 per cent).

Average hourly earnings for the hourly-rated wage-earners in manufacturing increased 4 cents to \$6.68, on a seasonally adjusted basis.

Total labour income (unadjusted) was estimated at \$10.0 billion in February, an increase of 7.9 per cent from a year earlier. Seasonally adjusted *wages and salaries* increased substantially (\$129.1 million or 1.4 per cent) between January and February to a total of \$9.5 billion. A large share of this increase (\$58.2 million or 2.8 per cent increase) was in manufacturing.

WAGE SETTLEMENTS — FIRST QUARTER 1978

There were 103 major collective agreements settled in the first quarter of 1978. These provided for an average compound annual rate of increase of 6.7 per cent in the base rates, further extending the trend of lower rates of increase in collective agreements that started in 1975. For comparison, the rate of increase of the previous quarter was 7.1 per cent, 8.4 per cent in the first quarter 1977, and 14.1 in the first quarter 1976. During 1975, the average increase was 17.0 per cent.

The average for the last four quarters for all industries was 7.4 per cent; in all commercial indus-

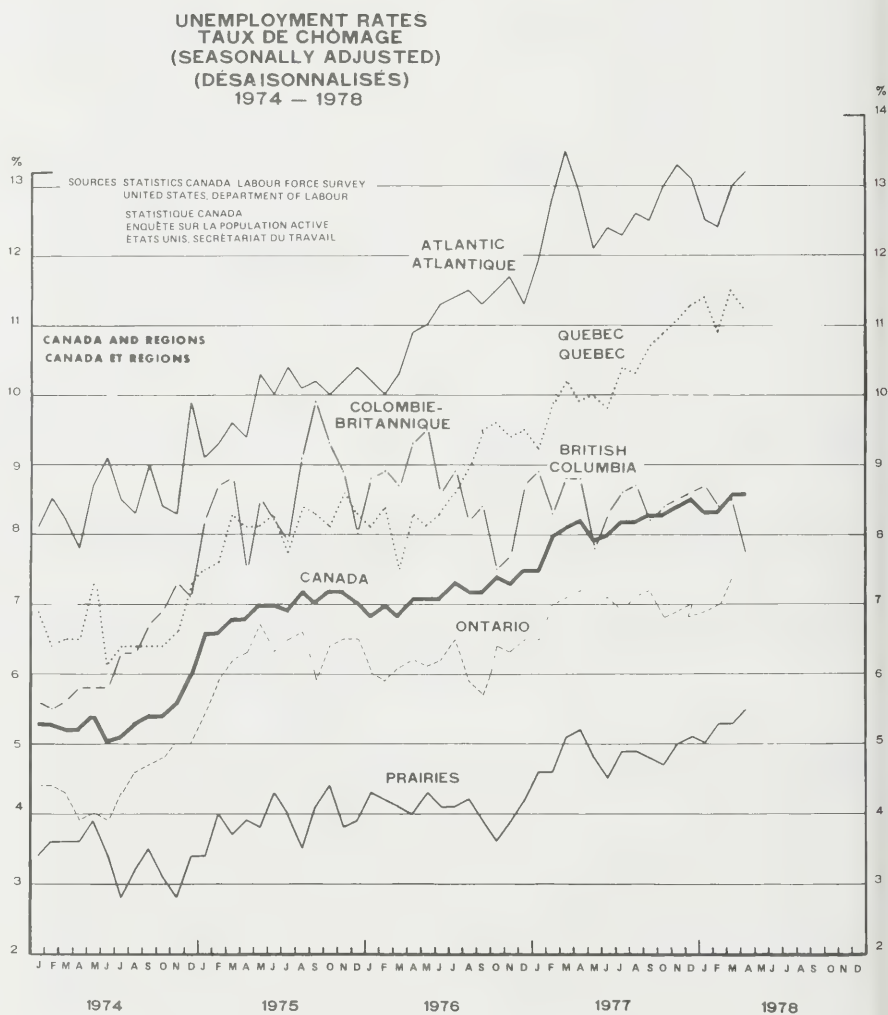
tries it was 7.5 per cent and in manufacturing it was 6.8 per cent.

STRIKES AND LOCKOUTS — FEBRUARY 1978

During February 1978, there were 138 strikes, 64 of which began during the month; 29,705 workers were involved resulting in a total loss of 278,200 man-days. Time loss was equivalent to 16 man-days to 10,000 man-days worked by

non-agricultural paid workers. The comparative numbers for January were 96 strikes during the month, 24,395 workers involved, 365,720 man-days lost — an equivalent of 21 man-days to 10,000 man-days worked.

In manufacturing, 126,510 man-days were lost in February (45 per cent of total) compared with 94,610 (26 per cent) in January. In relation to paid employment, 34 man-days were lost for every 10,000 worked, compared with 25 in January.



labour statistics

LABOUR MARKET

	Seasonally Adjusted					Unadjusted		
	Feb. 1978	Mar. 1978	Apr. 1978	% change ² Mar. 1978 Apr.		Apr. 1977	Apr. 1978	% Change ¹
TOTAL	(numbers in thousands)							
Labour Force	10,835	10,922	10,931	0.8	0.1	10,340	10,750	4.0
Employment	9,934	9,984	9,996	0.5	0.1	9,425	9,752	3.5
Unemployment	901	938	935	4.1	- 0.3	914	999	9.3
Unemployment Rate (%)	8.3	8.6	8.6	—	—	8.8	9.3	—
Participation Rate (%)	62.0	62.4	62.3	—	—	60.2	61.3	—
Both Sexes: 15-24	63.4	64.1	63.5	—	—	59.7	60.1	—
Men:	77.7	77.9	77.8	—	—	76.3	76.4	—
— 25 and over	80.8	81.0	81.0	—	—	80.5	80.7	—
Women:	46.8	47.3	47.4	—	—	44.7	46.7	—
— 25 and over	43.1	43.6	43.8	—	—	41.3	43.8	—
EMPLOYMENT	9,934	9,984	9,996	0.5	0.1	9,425	9,752	3.5
Both Sexes: 15-24	2,466	2,485	2,472	0.8	- 0.5	2,287	2,318	1.4
Men:	6,176	6,191	6,174	0.2	- 0.3	5,898	5,987	1.5
— 25 and over	4,831	4,839	4,835	0.2	- 0.1	4,657	4,748	2.0
Women:	3,758	3,793	3,822	0.9	0.8	3,527	3,765	6.7
— 25 and over	2,637	2,660	2,689	0.9	1.1	2,482	2,685	8.2
Paid Workers	8,879	8,944	8,990	0.7	0.5	8,463	8,739	3.3
— Non-Agriculture	8,753	8,816	8,868	0.7	0.6	8,327	8,630	3.6
In Industries								
Agriculture	458	467	453	2.0	- 3.0	451	434	- 3.8
Manufacturing	1,933	1,951	1,970	0.9	- 1.9	1,876	1,917	2.2
Construction	638	628	622	- 1.6	1.0	574	559	- 2.6
Trade	1,727	1,748	1,773	1.2	- 1.0	1,646	1,742	5.8
Services	2,801	2,809	2,829	0.3	- 0.2	2,665	2,798	5.0
By Regions								
Atlantic	754	751	757	- 0.4	0.8	681	711	4.4
Quebec	2,538	2,543	2,538	0.2	- 0.2	2,413	2,461	2.0
Ontario	3,816	3,842	3,860	0.7	0.5	3,648	3,782	3.7
Prairies	1,727	1,744	1,740	1.0	- 0.2	1,649	1,707	3.5
British Columbia	1,095	1,103	1,108	0.7	0.5	1,035	1,091	5.4
UNEMPLOYMENT RATE (%)	8.3	8.6	8.6	—	—	8.8	9.3	—
Both Sexes: 15-24	14.8	15.1	14.8	—	—	15.1	15.5	—
Men:	7.5	7.7	7.9	—	—	8.4	9.1	—
— 25 and over	5.0	5.1	5.4	—	—	6.2	6.7	—
Women:	9.6	10.0	9.6	—	—	9.5	9.5	—
— 25 and over	7.7	8.1	7.8	—	—	7.4	7.9	—
By Regions								
Atlantic	12.4	13.0	13.2	—	—	15.1	15.5	—
Quebec	10.9	11.5	11.2	—	—	10.6	11.8	—
Ontario	7.0	7.4	7.4	—	—	7.6	8.0	—
Prairies	5.3	5.3	5.5	—	—	5.6	6.1	—
British Columbia	8.4	8.5	7.7	—	—	9.5	8.4	—
EMPLOYMENT RATIO	56.8	57.0	57.0	—	—	54.9	55.6	—
Both sexes: 15-24	54.1	54.4	54.1	—	—	50.7	50.7	—
Men:	71.9	71.9	71.6	—	—	69.9	69.5	—
— 25 and over	76.8	76.8	76.6	—	—	75.5	75.3	—
Women:	42.3	42.6	42.9	—	—	40.4	42.2	—
— 25 and over	39.8	40.0	40.4	—	—	38.2	40.3	—

¹Per cent change from previous month.

²Per cent change from previous year.

Source: Statistics Canada, The Labour Force, Cat. No. 71-001.

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1978			% Change From Previous Year			Current Annual Rate of Change		
	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.
All-Items (1971 = 100)	168.9	170.8	171.2	8.7	8.8	8.4	6.9	8.1	8.3
Food "	194.3	197.0	200.4	13.4	13.9	14.7	13.1	11.7	16.6
Total Ex-Food "	160.1	161.8	161.2	6.9	7.0	6.1	4.6	6.7	5.4

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Feb. 1977	Feb. 1978 ^P	% change ¹	Dec. 1977 ^P	Jan. 1978 ^P	Feb. 1978 ^P	% change ² Jan.	Feb.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite (\$ Current)	242.63	258.40	6.5	258.85	255.68	258.27	- 1.2	1.0
Real (\$ 1971)	154.54	151.29	- 2.1	153.95	151.31	151.06	- 1.7	- 0.2
By Regions:								
Atlantic	217.31	229.11	5.4	228.20	227.19	227.22	- 0.4	0.0
Quebec	236.68	255.23	7.8	253.89	253.02	254.64	- 0.3	0.6
Ontario	242.05	258.70	6.9	258.72	252.54	259.17	- 2.4	2.6
Prairies	240.79	256.90	6.7	255.52	255.21	256.41	- 0.1	0.5
British Columbia	275.46	293.94	6.7	291.44	292.39	294.74	0.3	0.8
Manufacturing:								
Average Weekly Earnings (\$)	259.26	280.30	8.1	276.90	272.82	278.99	- 1.5	2.3
Average Hourly Earnings (\$)	6.17	6.67	8.1	6.62	6.64	6.68	0.3	0.6
Average Weekly Hours	38.9	38.9	0.0	39.2	37.8	38.7	- 3.5	2.4
Total Labour Income (\$ Million)	9,258.9	9,986.3	7.9	10,287.0	10,117.7	10,257.0	- 1.6	1.4
Wages and Salaries - Total	8,561.2	9,229.7	7.8	9,508.0	9,349.6	9,478.7	- 1.6	1.4
— Manufacturing	1,957.2	2,104.1	7.5	2,121.1	2,097.0	2,155.2	- 1.1	2.8

JOB VACANCIES

	Unadjusted				1978	Seasonally Adjusted			
	1977					1977			
	I	II	III	IV		I	II	III	IV
	(numbers in thousands)								
All categories	39.7	49.7	52.7	35.6	37.8	46.8	47.8	42.9	40.5
Full-time jobs	35.3	43.2	45.5	30.9	34.1	41.0	41.5	37.4	35.3
Long-term vacancies	12.4	13.2	15.7	12.1	11.8	13.7	14.4	12.5	13.2

¹Per cent change from previous year.

²Per cent change from previous month.

P Preliminary.

Source: Statistics Canada, *The Labour Force*, Cat. No. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. No. 72-002. Statistics Canada, *Quarterly Report on Job Vacancies*, Cat. No. 71-002, Statistics Canada, *The Consumer Price Index*, 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

MAJOR COLLECTIVE BARGAINING SETTLEMENTS

	Quarterly										Last Four Quarters
	Annual			1976		1977				1978	
	1975	1976	1977	III	IV	I	II	III	IV	I	
(annual compound rates of change)											
All Industries	17.0	10.2	7.7	9.4	7.9	8.4	7.9	7.4	7.1	6.7	7.4
Commercial	14.9	9.6	7.6	8.9	7.2	7.9	7.5	7.4	8.0	7.0	7.5
Manufacturing	13.9	8.8	6.9	9.3	5.9	6.9	6.2	7.4	7.3	6.5	6.8

STRIKES AND LOCKOUTS

	1976			1977				1978	
	II	III	IV	I	II	III	IV	Jan.	Feb.
(Quarterly averages)									
Strikes and Lockouts:									
— Beginning during month	110	73	56	56	74	69	48	48	64
— Existing during month	209	203	143	118	152	155	111	96	138
Workers Involved	231,695	112,173	342,621	24,039	36,790	34,813	25,876	24,395	29,705
Man-days Lost — Total	864,817	1,466,900	927,813	200,670	312,263	332,267	257,427	365,720	278,200
— Manufacturing	296,383	501,157	278,540	110,100	207,630	189,653	154,340	94,610	126,510
Man-days Lost as a % of Estimated Working Time	0.48	0.79	0.50	0.11	0.17	0.18	0.14	0.21	0.16
— Manufacturing	0.74	1.18	0.67	0.28	0.52	0.46	0.34	0.25	0.34

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976 August 1, 1978 January 1, 1979	\$2.65 \$2.85 \$3.00	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1977 July 1, 1978	\$2.70 \$2.75	under 18: \$2.35 under 18: \$2.40
Quebec	January 1, 1978	\$3.27	under 18: \$3.07
Saskatchewan	January 31, 1978 June 30, 1978	\$3.15 \$3.25	no special rates no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, FEBRUARY 1978

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1977	739	803	217,557	3,307,880	0.15
1977					
February	48	111	19,718	175,740	0.11
March	71	131	23,372	207,270	0.11
April	78	148	38,237	329,350	0.20
May	73	152	34,893	299,940	0.16
June	71	156	37,241	307,500	0.16
July	55	138	38,802	405,760	0.22
August	76	153	34,522	345,970	0.17
September	75	174	31,114	245,070	0.13
October	56	120	19,716	178,300	0.10
November	55	113	32,154	240,850	0.13
December	32	101	25,758	353,130	0.20
1978(1)					
January	48	96	24,395	365,720	0.21
February	64	138	29,705	278,200	0.16

(1) Preliminary

WORK STOPPAGES BY INDUSTRY, FEBRUARY 1978 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Feb.)
		Number	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	0	0	0	0
Fishing	0	0	0	0	0
Mines	3	4	805	6,940	8,090
Manufacturing	22	60	10,080	126,510	221,120
Construction	4	8	1,154	2,090	7,670
Transp. & Utilities	9	20	14,028	99,020	321,820
Trade	3	12	797	12,990	28,080
Finance	0	1	26	420	520
Service	16	26	2,223	23,750	50,050
Public Admin.	7	7	590	6,480	6,570
Various industries	0	0	0	0	0
TOTAL	64	138	29,705	278,200	643,920

WORK STOPPAGES BY JURISDICTION, FEBRUARY, 1978 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Feb.)
		Number	Workers involved	Duration in man-days	
Nfld.	2	2	630	6,330	6,380
P.E.I.	0	0	0	0	0
N.S.	3	3	572	2,130	2,130
N.B.	1	2	559	360	1,390
Quebec	19	57	7,029	102,300	194,600
Ontario	22	45	5,932	63,840	106,470
Manitoba	0	0	0	0	140
Saskatchewan	5	6	445	860	2,360
Alberta	0	2	103	2,060	5,240
B.C.	8	9	3,215	9,450	14,530
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	60	126	18,491	187,330	333,240
Federal Public Service(1)	1	1	80	40	170
Federal Industries(2)	3	11	11,134	90,830	310,510
Federal total	4	12	11,214	90,870	310,860
TOTAL	64	138	29,705	278,200	643,920

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union. (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working Conditions in Canadian Industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada), \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1977. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1976 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request (Bilingual)).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request) (English or French).

Human Rights in Canada — 1977. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1976. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. OSS catalogue No. L34-23/1976.

The pension booklet. A bilingual guide providing basic information on employer-sponsored pension plans, how they operate and the protection provided by the federal and provincial governments (who share responsibility for regulating private pensions). Available free (Cat. No. L13-16/76) from Public Relations, Labour Canada, Ottawa, Ontario. K1A 0J2.

Collective Bargaining Information Centre. Information pamphlet, bilingual. Available free.

Collective Bargaining Information Sources (Section I). A reference guide to sources of information and data for collective bargaining. Section I, "Compensation"; now available. Section II, "Economic Studies"; Section III, "Labour Relations"; and Section IV, "Library Services" — forthcoming. English or French, free.

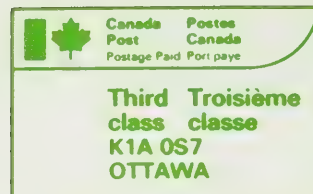
Occupational safety and health

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Occupational Noise Legislation. Contains the Canadian legislation protecting workers against the harmful effects of noise exposure in workplaces. Included is a table showing the maximum sound level permitted for different periods of exposure. (Available free on request). (Bilingual).

Bibliography, Occupational Safety and Health. Brief selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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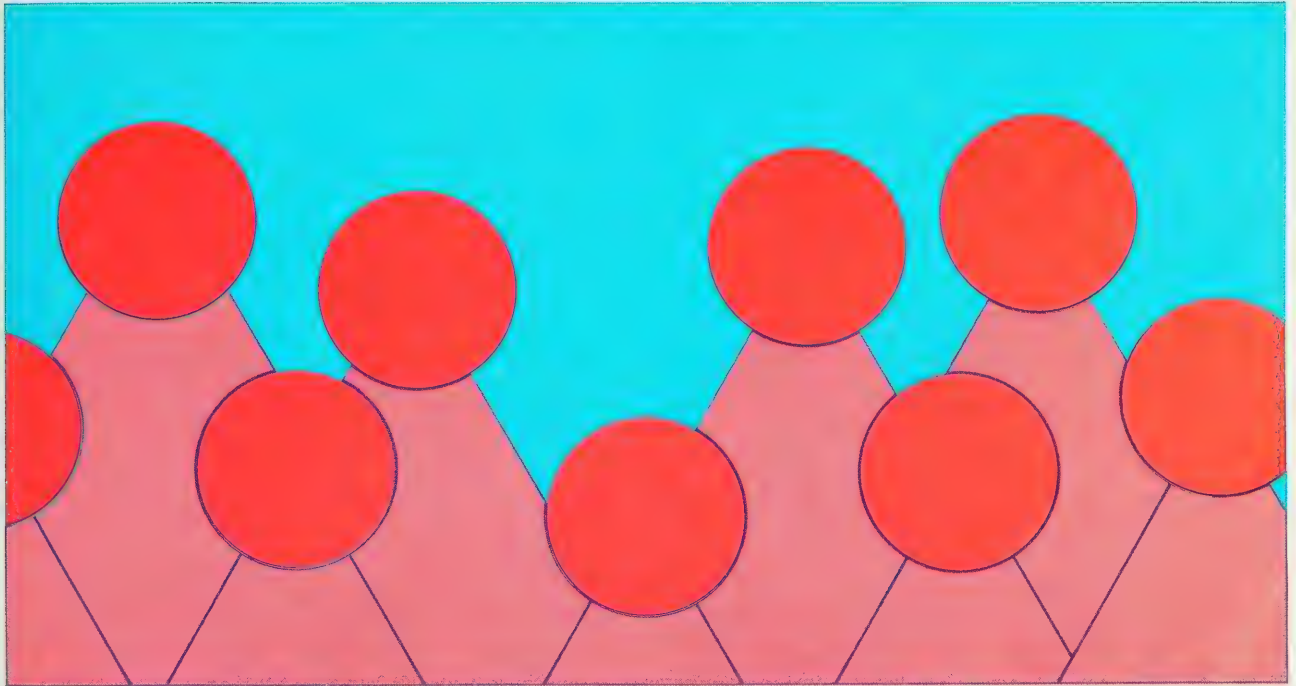
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**Labour
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INCOME DISTRIBUTION

Policy shortcomings

Federal policies and programs have not improved the economic position of the poor "relative to highest income families," a study prepared for the C.D. Howe Research Institute finds.

The assumed redistribution of income toward the poor has been a factor in growing public resentment at increases in government spending and taxes. The study concludes however, that although most budget speeches from 1970 to early 1977 referred to the objective of maintaining or increasing the real incomes of the poor, "in general, the stated budgetary intentions provide no guide to the actual distributive effects of budgetary policy."

In a 66-page report on the study, entitled *In search of Robin Hood: the Effect of Federal Budgetary Policies During the 1970s on the Distribution of Income in Canada*, W. Irwin Gillespie, a professor of economics at Carleton University, notes that budgetary instruments used extensively during the 1970s, including personal deductions and exemptions from income tax and personal income tax cuts and credits, provide no benefits at all to people who are too poor to pay any income tax. The revised Unemployment Insurance Act redistributed income from the highest income families to the

lower-middle-income families, but provided virtually no benefit to the poorest families.

He also comments: "The federal proposal for an income support and supplementation reform of social security would have provided a modest improvement in the economic portion of the poor relative to the highest-income families. Ironically, the one federal proposal that would have given some substance to the belief in an increasingly redistributive policy thrust has not, in fact, been put into place."

The study was released by the Canadian Economic Policy Committee a group of 80 business, agricultural, labour and professional leaders.

EMPLOYEE COMPENSATION

Paid sick leave

Annual analyses by the Ontario Ministry of Labour show that a higher percentage of collective agreements are providing for paid sick leave. Of 892 agreements in March, 1977, 387 — or 43 per cent — had provisions for sick leave with pay. They covered 50 per cent of employees covered by all the agreements. In the March, 1976, analysis 42 per cent of the agreements studied covering 50 per cent of the employees had paid sick leave plans, while in March, 1975, the respective percentages were 40 and 48.

While the trend has been an increase in paid sick leave, there has been a concomitant decrease in provisions for sickness and accident insurance plans providing weekly payments to employees to compensate partially for wages lost during absences from work. In March, 1977, 59 per cent of the agreements analyzed had such provisions and they covered 53 per cent of the employees. The corresponding percentages in March, 1976, were 61 and 56, and in March, 1975, 63 and 56.

In all three years, most of the sickness and accident insurance plans were in manufacturing industries, and most of the sick leave provisions were in non-manufacturing industries, especially education, health and welfare, local administration and federal administration.

WAGES

First-quarter increases

The 103 major collectively bargained settlements in the first quarter of 1978 provided for average annual increases in base rates of 6.7 per cent in compound terms, down from 7.1 per cent in the fourth quarter of 1977. The figures are based on an analysis of collective agreements covering 500 or more workers in industries other than construction in both federal and provincial jurisdictions.

Average base-rate increase in

the 67 one-year agreements was 6.6 per cent. In the 31 two-year agreements it was 7.6 per cent for the first year and 6.6 per cent for the second. In the five three-year agreements, the increases were 11.3 per cent, 6.7 per cent and 5.3 per cent for the first, second and third years, respectively.

Public and private sectors compared

A study published by the Economic Council of Canada says labour market conditions play a more important role in determining wages in the private sector than in the public sector. In the study, entitled *Wage Determination in Major Collective Agreements in the Private and Public Sectors*, Jean-Michel Cousineau and Robert Lacroix report the results of their analysis of collective agreements covering 500 or more employees during the 1967-75 period. They found that public wages in the public sector are more responsive to inflation and less responsive to general labour market conditions. Wage decisions in the public sector depend on decisions that are primarily political, they argue. They also maintain that wage settlements in the private sector would be easier to achieve if they were not regularly subject to the pressure of generous settlements in the public sector.

EMPLOYMENT

Graduates' prospects

Employment opportunities for 1978 university graduating classes are good for engineering and commerce graduates but poor for graduates in nursing, law and education, according to the Technical Service Council, an industry-sponsored personnel

counselling and job placement service. The council quotes one university as describing prospects for arts and science graduates as "dismal," and the council expects little change in the job market during the rest of the year.

The council's quarterly survey of 1,500 employers found a 3.6 per cent increase in job vacancies in the private sector in the first quarter of 1978. There were increases in Ontario, the Prairies and Quebec, decreases in British Columbia and the Yukon and no change in the Atlantic provinces. This is the second consecutive quarter in which the total increased, but the council says the increases have been too small to indicate a trend.

HEALTH & SAFETY

Call for new mechanisms

Dr. Bette Stephenson, Ontario minister of labour, has recommended that a mechanism for formal co-ordination be established between the provincial government and voluntary accident prevention groups. In an address to 3,000 industry representatives at the April 3-5 annual conference of the Industrial Accident Prevention Association in Toronto, she said closer co-operation would help the cause of occupational health and accident prevention.

Thomas E. Armstrong, provincial deputy minister of labour, called for more worker participation as a means of ending employees' "essentially passive role." For example, he said, the creation of autonomous work groups would give workers a sense of commitment, and redesigning the technical requirements of modern industry to conform to workers'

human needs would help improve the quality of working life.

Armstrong called for more "collaborative instead of conflicting" modes of industrial relations. To European observers, he said, industrial relations in Canada seem static, conflictual, atrophied and resistant to change. Management fears the loss of traditional prerogatives and may doubt the workers' desire to take on additional responsibility, he said, while labour tends to be skeptical of innovations imposed by management.

His view drew support from Barry Hayton, manager of Sarnia, Ontario, operations for Polysar Limited, who said a joint labour-management safety committee set up in 1970 was relatively ineffective at first because of lack of trust. However, increased management concern for safety, following two fatalities in one year, and the production of manuals on chemical hazards and safety, convinced worker representatives that management had become truly concerned about employees' health. The appointment of two full-time safety inspectors in 1975 also helped, he said, and the plant's safety record has improved significantly.

Sweden takes another step

Sweden's new Working Environment Act, approved by Parliament in November, 1977, came into effect July 1, 1978. While it calls for co-operation between employers and workers in establishing and maintaining a healthy working environment, the main responsibility remains with the employer, who is required to take all "necessary" steps to prevent employees from being exposed to health hazards or accident risks. Employees, in turn, are required to co-operate with employers in

creating a satisfactory environment, to observe safety regulations and to exercise "necessary caution" to prevent ill health and accidents. The Act also gives an employee both the right and the duty to stop work if he faces a dangerous situation, and to report it to the foreman. Employees are expressly exempted from liability for any losses resulting from such work stoppages.

Interestingly, an article in the United States monthly *World of Work Report* credits Sweden's worker protection board, ASV, with taking the lead in achieving co-operation between employers and employees to maximize occupational health and safety. Founded in 1949 the agency came into prominence only in the 1970s when issues of health and safety began to receive dramatically increased attention.

"The ability of the ASV to develop occupational safety and health regulations acceptable to all parties — workers, employers, unions and the government — is a reflection of the character of Swedish management relationships," the article observes. Normally the agency forms a committee of labour and business representatives to draw up safety regulations.

The article also says that plant level safety stewards have a key role to play. Not only do they encourage safety consciousness among employees but they also work "to increase workers' knowledge about the existence of unsafe conditions, so that they will complain or even quit their jobs if workplace hazards go uncorrected, thus creating an incentive for employers to comply with ASV safety regulations." It adds: On an everyday basis, and in safety committees, stewards remind management to obey the law."

The report adds: "On balance, the Swedish approach to protecting worker health and safety seems to have worked, at least in part because of the high degree of management involvement in the process of formulating regulations, but perhaps more so due to joint labour-management co-operation in reaching agreements on issues of mutual concern."

WORK STOPPAGES

UAW leads

An analysis of strikes in manufacturing during the 1968-77 period supports the findings of previous research that showed the United Auto Workers to be the most strike-prone union in manufacturing in Canada, with the United Rubber Workers ranked second. The analysis also tends to refute the idea that strikes generally "clear the air" for a while and promote peaceful negotiations in future years.

The analysis was carried out by Karen Croft, a fourth-year Commerce student at Queen's University, Kingston, Ontario, in association with Dr. L.A. Kelly, editor of *IR Research Reports*, and a part-time lecturer in Queen's School of Business. It was based on a sample of 82 companies which had 343 settlements — an average of just over four per company — during the nine year period. The agreements involved 500 employees or more.

Over the period, 22 per cent of the settlements were reached after a work stoppage. If they had been evenly distributed, nearly all of the 82 companies in the sample would have experienced one work stoppage. In fact, only 45 of the companies (55 per cent of the

total) experienced a work stoppage. "More significantly," notes *IR Research Reports*, "21 companies had two or more stoppages and in these companies the incidence of strikes amounted to 61 per cent of the settlements reached." The periodical also notes that 17 of those companies experienced work stoppages in two or more consecutive rounds of negotiations, and that eight companies, whose settlements represented just over 9 per cent of the total, accounted for slightly more than one third of the stoppages; 17 companies which had about 20 per cent of the settlements, accounted for nearly 60 per cent of the stoppages; and 21 companies, with just over 25 per cent of the settlements, accounted for 70 per cent of the stoppages.

A general conclusion emerges from the analysis: "While variations in the overall level of strike activity from year to year largely reflect economic conditions, more attention needs to be focussed on the factors which give rise to recurrent conflict in particular bargaining situations as well as on the factors which lead to peaceful bargaining in other situations over sustained periods of time."

LAYOFFS

Commission of inquiry

A commission of inquiry into layoffs and redundancies in industries in the federal jurisdiction has been established by the Canada Department of Labour. Its members are Dr. A.W.R. Carrothers, a Vancouver lawyer and mediator, Jack Munro, president of District 1 of the International Woodworkers of America, and Charles Perrault, Montreal consultant and former president

of the Conseil du Patronat du Québec. The terms of reference of the Carrothers commission include studying the possibility of changes and improvements in practices and procedures of employers, unions and government “with a view to avoiding layoffs to the extent possible and minimizing their adverse effects when they do occur.” The commission is also to investigate the possibility of developing a code of good practice with regard to redundancies and layoffs. (See also p. 347)

LEGISLATION

Labour Code amendments come into effect

Important amendments to the Canada Labour Code, designed to improve the working environment and streamline the labour relations system, have started coming into effect as of June 1.

The amendments, contained in Bill C-8 passed by the House of Commons in April, apply to some 560,000 employees in federally-regulated industries, such as railways, airlines, banking, trucking, broadcasting, grain-handling, communications and port operations. They deal with general work conditions as well as with relations between unions and employers on the one hand and between unions and their members on the other.

The general provisions relate to such issues as hours of work, paid vacations (these went into effect June 1) and sick leave; regular payment of wages; protection for workers against unjust dismissal; the right of workers to refuse to work under conditions of imminent danger and the creation of health and safety committees (coming into effect Sept. 1). A provision

dealing with the appointment of arbitrators took effect July 1.

The Bill provides among other things for increasing the number of statutory holidays from eight to nine; eliminates pregnancy as a cause of dismissal; and contains new bereavement leave provisions. It requires unions to furnish members with financial statements and to fairly represent members of the bargaining unit, and it aims also at ensuring objective referral procedures by union hiring halls.

The Canada Labour Relations Board is given more discretion to order representation votes and related run-off votes, and to formulate provisions of a first agreement if the parties themselves are unable to hammer one out. The CLRB is also empowered at the request of either an employer or a union to declare that a strike or a lockout is unlawful.

The amendments represent the first major revisions to the Labour Code in five years. Labour Minister John Munro described them as “a charter for workers’ rights though as yet not a full and complete one.” About 53 per cent of the workers affected do not have the benefit of belonging to a union.

EDUCATIONAL LEAVE

Labour Canada establishes commission of inquiry

The federal government has established an inquiry commission on educational leave and productivity.

Members of the commission are chairman Roy J. Adams, of the Personnel and Industrial Relations Committee, Faculty of Business Administration, McMaster University; Robert Bouchard, vice-

president, Quebec Federation of Labour; and J.W. Henley, vice-president, Human Relations Resources Planning, Westinghouse Canada Ltd.

The commission’s terms of reference are:

- to inquire into public awareness, interest in and commitment to leave for education purposes;
- to review current practice both in Canada and elsewhere;
- to receive briefs from concerned persons containing their views on various systems of leave for educational purposes;
- to make an assessment of the cost-benefits of educational leave and its impact upon productivity and employment;
- to make such recommendations with respect to public policy or policies that might be adopted by labour and management as may seem appropriate;
- any matters incidental or relating to any of the foregoing matters.

This commission of inquiry is the third announced this year by Labour Canada — the other two being a study of wider-based bargaining and the commission on redundancies and layoffs.

PENSIONS

Inadequate

Briefs and letters submitted to the Royal Commission on the Status of Pensions in Ontario reflect widespread concern about inflation which has cut deeply into the purchasing power of private pensions, “many of which were

far from generous when they commenced," says a report in *Mercer Actuarial Bulletin*, monthly newsletter of the Toronto actuarial firm, William M. Mercer Ltd.

The actuarial bulletin says 200 submissions have been filed with the commission, ranging from one-page letters to 190-page briefs. Nearly two thirds were from individuals. The rest were from organizations including pensioners, old people's organizations, unions, employer groups and pension industry groups.

"The most common complaint from individuals, not surprisingly, is simply that the amount of pension is insufficient and is declining as a result of inflation," the report notes. It also comments: "Although the royal commission is well advised to sound out grass roots opinion, equal weight cannot be put on each brief.... It will have the difficult task of weighing the arguments put forward and taking proper account of, but not being governed by, the majority opinion."

RETIREMENT

Meeting new rules

New United States legislation which raises the mandatory retirement age for most workers to 70 from 65 has reportedly sent shock waves through the business world. Pension plans are being rewritten or renegotiated, and some firms are trying to come up with new evaluation systems that would help to weed out unproductive workers aged 65 or less. One U.S. periodical notes that the Equitable Life Assurance Society put a committee to work months before the legislation was adopted to recommend to management the policy changes that will be necessary because of the law. *U.S. News and*

World Report notes that Equitable, like many other firms, has tended to allow "marginal" employees in their 50s or early 60s to remain at their jobs until age 65. Now that practice may change.

Some business leaders, however, do not see the law as too difficult to live with. Emory H. Taylor, vice-president of human resources for Gold Kist Inc., an agribusiness firm based in Atlanta, Ga. told *U.S. News and World Report*: "We will be able to retain people who have good health and want to stay on for an additional five years." The magazine also notes that the impact of the law may not be as severe as many business leaders fear, because the trend for years has been toward earlier rather than later retirement.

WORKING TIME

Effects of compressed work week reassuring

A recent study by the Quebec Ministry of Labour and Manpower discounts the widely held view that workers who went on a compressed work week schedule would use the extra days off to look for part-time work. The survey of 938 employees of 42 firms found that few of the employees took up a second job and many who previously held one gave it up when a compressed work week was introduced. While the responses did not indicate any change in job satisfaction, they did show increases in off-the-job satisfaction, including more enjoyment of family life. The researchers, Viviane Benmouyal-Acoca, René Boulard and Bernard-M. Tessier, report their findings in a publication entitled *La semaine comprimée et les travailleurs*, published by l'Éditeur officiel du Québec.

Sabbaticals for all?

Work sabbaticals in Britain have been reserved for a privileged few but an article in *The Economist* reports that in the future, these breathing spaces should be available to all workers.

The article indicates that most companies now give sabbaticals only to workers wanting to study topics close to the corporate heart. But a few companies are taking a leap forward and the British are starting to see a blurring of the divisions between work, education, leisure, and even retirement.

Barclays Bank, for instance, is allowing workers to hoard holidays over a period of years to take time for such esoteric exercises as enrolling in the Royal College of Music. Two British subsidiaries of American companies (Rank Xerox and IBM) offer their staff social service leave. One senior product engineer at Rank Xerox was given five weeks off to open a community centre in his housing estate. The 89-member industries of the Action Resource Centre are prepared to lend staff on full pay to charities or good causes.

The employers who have tried work sabbatical schemes feel it is a positive move and the article points out sabbaticals might soon become a right, not a privilege in Britain.

INDUSTRIAL DEMOCRACY

Easy does it

The United Kingdom is taking the first cautious steps toward workers' participation in corporate decision making. But it may be some time before any concrete action is taken.

A White Paper on “industrial democracy,” outlined to Parliament by the Labour government in May, envisages a series of measures to introduce workers’ participation in more or less manageable doses.

The general principles spelled out in the White Paper would demand that companies with more than 500 employees “consult” workers’ representatives before major decisions are taken. Where a company has more than 2,000 employees, workers would eventually have the right to appoint members on the “policy board” empowered to deal with broad policy lines — as distinct from the management board which handles actual day-to-day operations.

Workers should have the right to appoint up to one third of the policy board members, “with parity as an ultimate outcome” not ruled out. But in any event workers will not start exercising this right except after three or four years of an initial experiment with management-labour consultation.

The White Paper came as a compromise to recommendations made in 1977 by a committee on industrial democracy headed by Oxford University historian Lord Bullock. These recommendations, strongly criticized in some circles, had called among other things for equal labour-management board representation.

Prime Minister Callaghan said ironing out the necessary legislative details of the plan would hopefully be a priority on the agenda of the next Labour government. He said there was not enough time for this now with parliamentary general elections due next year.

Callaghan characterized the objective of the White Paper as “positive partnership between

management and workers rather than defensive coexistence.” He said that employees at every level will share the responsibility for making their company a success if they have a real share in decision making.

The cautious and flexible approach taken is seen as motivated by the government’s desire to avoid interfering with the process of collective bargaining, which may spawn participation formulas better suited to the conditions of each company. Meanwhile the government intends to establish an industrial democracy commission to speed up implementation of the plan.

Participation “sidetracked”

The worker participation movement in Europe has been “sidetracked” according to a report in *Business Week*. Except for Scandinavia, industrial democracy schemes have been hampered by recession, growing union skepticism, and employees’ preoccupation with other issues, says the periodical. It also notes that in some countries like Sweden where worker participation remains strong, “attention is now shifting to what some consider the next step — worker ownership.” It says labour opposition to workers’ sharing control of companies is especially “keen” in France “where Communist and Socialist unions look instead to nationalization as a solution.” In many other countries, where less labour opposition exists, sluggish economies have left employers reluctant to experiment.

THE WORKPLACE

Maintaining harmony

Dominion Foundry and Steel Ltd. of Hamilton has achieved harmo-

nious relations with its employees because of a long history of “paternalistic affection,” says a report by J.R. Perigoe in the *Canadian Personnel and Industrial Relations Journal*. Don Pepper, Dofasco’s vice-president, personnel, is credited with continuing a viewpoint established by the company’s founder, Clifton Sherman, in 1912:

“At Dofasco we have 10,000 employees and no employee-representation at all,” Pepper is quoted as saying. “We do have an advisory committee for our profit-sharing plan that includes elected employees. Complaints are handled through our open-door policy which is entwined with the golden rule. Management asks itself, ‘What would I like if I were the employee?’ Employees can take their complaints right up to the president, and about 12 a year do. Nothing is held against employees who have complaints if they follow the line of command through supervision, next level of management, personnel and finally to the president.”

The company has had its profit-sharing plan since 1938. It operates a 50-acre recreational complex for employees on Hamilton mountain, and it holds an annual Christmas party for employees and their families at which all levels of management mingle with workers. “Over the years, a feeling of mutual respect has been built up between management and the employees,” Perigoe says.

ARBITRATION

Trend reversed?

Unions negotiating under the Public Service Staff Relations Act may be swinging away from the wholesale rejection of arbitration

of interest disputes that occurred in 1975 and 1976. Leslie W.C.S. Barnes, in an article in *IR Research Reports*, says there has been, in fact, a marginal reversal of the trend. He notes that in 1970 bargaining units representing 81 per cent of employees opted for arbitration while only 19 per cent opted for the conciliation-strike route. By 1975 the percentages were 36 for arbitration and 64 for strike-conciliation, and in 1976 they were 29 and 71 respectively. However, in 1977, bargaining units representing 30 per cent of employees chose the arbitration route and 70 per cent, conciliation-strike. Barnes says that while factors outside the collective bargaining system influenced the change, credit must also be given to improvements in the arbitration system.

"During the past year, for example, there have been useful instances of arbitration tribunals providing explanations of their findings and, like conciliation boards, giving at least guidelines to the parties on matters in which they have not, for one reason or another, been able to make arbitral awards," he writes. "Tribunals have also given both the unions and the Treasury Board stiffly worded lectures when the data presented by the parties have not been sufficient to permit the tribunals to come to satisfactory conclusions."

WOMEN

Quebec maternity leave

An amendment to the Minimum Wage Act in Quebec will for the first time guarantee women maternity leave without fear of job or seniority loss.

Designated as Bill 43, the amendment forbids employers to dis-

PEOPLE

White UAW director

Bob White was elected Canadian director and an international vice-president of the United Auto Workers at a special convention, in Toronto April 22. He succeeds Dennis McDermott, whose administrative assistant he had been for the past five years. McDermott was elected president of the Canadian Labour Congress earlier in April.

White, 43, was born in Ireland but immigrated to Canada with his family in 1949. He has been an active member in the UAW since he held his first job in Woodstock, Ont., at age 15, and was appointed



an international representative in 1960.

miss, transfer or suspend employees claiming maternity leave. This particular issue has been a long-time Parti Quebecois platform plank.

CONVENTIONS

PEI Federation of Labour

The 150 delegates to the Prince Edward Island Federation of Labour Convention, in Charlottetown, April 28-30, heard Canada's chartered banks criticized as "exploiters" of women workers. Donald Montgomery, secretary-treasurer of the Canadian Labour Congress, also accused the banks of conducting "the most vicious, highly organized and expensive union-busting campaign in the country." He also said that while women make up 72 per cent of the banks' employees, they make up less than 1 per cent of their managers.

He also said the CLC is stepping up its activities on behalf of equal employment opportunities for women in other industries. "We have given too much time to talk and too much time to resolutions, and now is the time to build the fighting organization that will achieve equal rights for women in the workplace," he added.

The delegates adopted resolutions calling for higher salaries than the \$10,800 a year advertised for two inspectors to be hired by the provincial Workmen's Compensation Board, and condemning Premier Alex Campbell for statements he made at a news conference which delegates felt were unduly critical of public servants.

Leonard Murphy, a member of the Letter Carriers Union of Canada, was re-elected for a three-year term as secretary-treasurer. The office of president, held by Jim Gyrus, was not up for election this year. [E]

special reports

INDUSTRIAL RELATIONS

The prospects for bank unions — an investor's perspective

A firm of Canadian investment counsellors predicts some increase in bank unionization, but says "unionism will not become widespread, bank unions will not be militant and bank wage costs will not explode." Burns Fry Limited, in a report entitled "Labour Unions and Chartered Banks," also predicts that it will take five years to decide the issue.

The report notes the landmark decisions in 1977 by the Canada Labour Relations Board and the Ontario Labour Relations Board allowing union organization on a single-branch basis rather than on a regional and national one, and the formation by the Canadian Labour Congress of a Bank Employees Organizing Committee to spearhead a well-financed organizing campaign.

Burns Fry says the "evidence" supports their conclusions: The union movement itself seems divided over jurisdiction. Unions have had little success with white-collar workers, outside the public service. Bank compensation levels appear generally competitive. Improved federal and provincial legislation is broadening the protection of unorganized workers, extending their rights "and

reducing their incentive to join a trade union."

The firm says that among individual banks, the Royal and Toronto-Dominion "have the least to fear" from the prospects of unionization because they "appear to rank at the top" in terms of both labour relations and compensation and benefit levels.

It suggests another difficulty for unions seeking to promote militancy: "Initial indications are that the single-branch bargaining unit will be 'vertical' and will contain a hierarchy of grades (i.e., all positions beneath that of accountant, rather than all tellers).

Unionism will not be widespread; bank unions will not be militant, and bank wage costs will not explode

British experience with unions of this type (especially the National Union of Bank Employees) suggests that the union organization will exhibit a low degree of militancy because of the lack of a common unifying purpose and the employees' fear that militant

action might damage their chances of gaining promotion. The high public visibility of bank branches should also moderate militancy."

Burns Fry argue, therefore, that while the 1977 CLRB and OLRB decisions "have technically opened the door" to bank unionization, "it is unlikely that widespread employee support will be forthcoming" — for several reasons:


- The growth of white-collar unionism in general will continue to be slow.
- There is "little evidence" that salaries or working conditions of bank employees would be materially improved by unionization.
- Turnover for clerical positions is quite high (the Bank of Canada has estimated it at 35 per cent), making union organization difficult.
- The physical problem of organizing the far-flung branch network of the Canadian banks is enormous.
- Bank management can be expected to mount an effective campaign against unionization.

However, the report says data centres are far more vulnerable to unionization because of a high concentration of employees, largely female, at the junior clerical level. It also says bank branches operating in communities where most employees are organized "or where feminist movements are strong" also appear to be susceptible to unionization.

The report says the CLRB's definition of a single branch as a

bargaining unit caught bank management off guard. As a result, management likely will exhibit a heightened "sensitivity" to personnel relations, "and perhaps will accelerate the implementation of policies designed to improve them" — clearer and more formalized salary and promotion policies and, possibly, "more active" staff associations. It notes that staff associations are credited as a major factor in restraining the growth of bank organization in Britain. "This, combined with

increasing evidence that banks are becoming more flexible in adjusting working conditions, salaries and benefits on a regional basis in response to unionization pressure, suggests that banks will be able to mount an effective campaign against unionization.

"On balance, we believe that unionization is not likely to overtake the banking industry to a significant degree — at least over the next five years." 

Comment on amendments to Quebec's Labour Code

Since Bill 45 amending the Quebec Labour Code was adopted in December, 1977, by the Quebec National Assembly, its so-called "anti-scab" provisions have drawn so much public attention that a perhaps even more significant change has gone almost unnoticed — the elimination of compulsory conciliation.

In an article in the June issue of *La Gazette du travail*, Louis-Gilles Francoeur, labour reporter for the Montreal daily *Le Devoir*, says this "less spectacular" provision may well prove to be Bill 45's principal contribution to the functioning of the labour code: "It means the right to strike can be acquired the very day a collective agreement expires, eliminating the compulsory 60-day conciliation period."

Conciliation was frequently used in the past in ways that "ran counter to its intent," Francoeur writes. "The parties frequently demanded the presence of the conciliator to demonstrate their dissatisfaction rather than to make genuine use of his services. Conciliators were swamped with totally unproductive cases, which meant they could not devote their efforts to cases where their

presence was genuinely desired. Since conciliation will be optional in future, it will have a greater chance of playing its intended role."

He adds: "By making the acquisition of the right to strike coincide with the expiry of the collective agreement — barring agreement to the contrary between the parties — Bill 45 more or less obliges the employer and the union to prepare for negotiations much earlier than in the past. In so doing, the government is clearly counting on the quasi-automatic nature of contract expiration to put an end to the various delaying tactics the parties might use to drag out conciliation and postpone any show of force until a more opportune time."

The amendment, he says, will also prevent employers "from changing working conditions unilaterally" between the end of a collective agreement and the beginning of a strike and lockout.

Another "substantial" amendment, he says, is that which allows the minister of labour to submit stale-mated negotiations over a first agreement to an arbitration board.

"Experience has shown that negotiation of a first agreement is frequently the occasion for socially disruptive confrontations by employers, determined at all costs to crush the fledgling union," Francoeur maintains. The board has the power to determine the content of a one- or two-year collective agreement, and to order an immediate end to a strike or lockout.

Another provision with "profound" repercussions is the creation of an arbitration tribunal: "Bill 45 substantially changes the status of arbitrators chosen by the parties or appointed by the minister. The former 'arbitrators' will now become members of a tribunal whose powers are precisely defined in the bill. The importance of this change is better understood when it is realized that Bill 45 gives arbitration decisions — i.e., decisions of the arbitration tribunal — the same force as the decisions of a Quebec superior court judge. In future, failure to implement a decision of this new tribunal will be equivalent to refusing to comply with a court order. It could lead to contempt proceedings, with a fine of up to \$5,000, with or without a prison

sentence of one year.” Employers who ignore decisions of an arbitral tribunal will be liable to a charge of contempt just as union members are when they disobey an injunction limiting picketing at a factory gate.

Moreover, the arbitration tribunal is required to render its decision within 90 days. Otherwise, the provincial labour board may set a deadline and, if it is not met, the members of the tribunal could lose their honoraria.

Other amendments have, of course, drawn more public attention. Limits have been placed on employers’ rights to use strike breakers; representatives of workers who acquire management roles in worker participation experiments will not, as in the past, be excluded from the protection of the collective agreement; compulsory payment of union dues is extended to all members of a certified bargaining unit; a union will have to sign up only 35 per cent, rather than 50 per cent, of the bargaining unit to get the right to a certification vote; union elections and strike votes must be by secret ballot; unions


and employers must give the minister of labour 48 hours notice of a work stoppage; employees may appeal to the minister of labour against discriminatory or arbitrary actions by their union; unions are required to divulge their financial statements to their members, and employers are forbidden to negotiate with a union to procure the dismissal of an employee on the grounds that he was either not admitted to the union or was expelled from it.

Francoeur says the bill does not merely patch up the old code but represents “a classic statement of the idea of the state as arbitrator.” He comments: “By dealing with causes of violence such as the use of strikebreakers, by barring authoritarian unionism, by making secret ballots obligatory and by including some provisions against arbitrariness, by revitalizing the essential function of conciliation, by preventing reactionary employers from crushing new unions during initial negotiations and, in addition, by ensuring enforcement of collective agreements through increasing the power of arbitrators, Bill 45 represents an important appli-

cation of the ‘social democratic’ philosophy of Rene Levesque’s government, and is not merely a reflection of a ‘bias in favour’ of workers.”

He says the success of the reform is therefore of major interest not only to labour relations specialists, but also for legislators “who need to test its philosophy against reality before going further.”

During the last 10 years, the Quebec Labour Code had lost much of its credibility with unions, Francoeur says, “as shown by the proliferation of illegal work stoppages.” He comments: “This situation is explained essentially by the fact that the rights granted by the code were increasingly being denied in practice by ‘refinements’ in the practices of many employers.

“Will the Bill 45 amendments succeed in generating a new consensus in Quebec regarding the rule of law in labour relations? This is perhaps fundamentally a question about what type of society is beginning to emerge, rather than simply about the fate of the future of the Quebec Labour Code.” 

THE ECONOMY

Canada in the world economy

Canada’s vulnerability as a country heavily dependent on exports was the theme of much of the discussion at a Spring conference in Montreal on “Canada in the World Economy,” sponsored by the Conference Board in Canada. One session was concerned with the broad topic of Canada’s future as a trading nation, while others discussed freer trade and trade promotion.

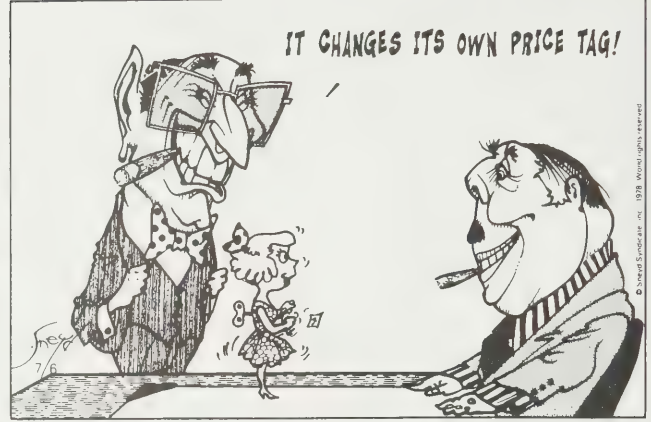
In his opening address to the conference, Grant Reuber, chairman of the Ontario Economic Council, expressed the concerns of many of the 200 delegates when he spoke of a “new reality” — an international economy that imposes major constraints on domestic policies and practices. He also said that to resort to protectionist measures, instead of adapting to that reality, would be

futile in the long run.

“Our ability to adapt to the emerging new reality will depend largely upon the rewards we are prepared to offer those who do adapt and the penalties we are prepared to impose on those who do not,” he said. “For the business sector this means the acceptance of high profits for those enterprises that are capable



YOU WIND
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of coping effectively with international competition as well as the acceptance of business losses or bankruptcies for those enterprises that cannot. For labour it means accepting a standard of living that corresponds with our productivity in relation to that of our major competitors abroad. And for government it means policies that are consistent with our international competitive position."

Fergus J. Chambers, assistant deputy minister of industry trade and commerce, described the government's objective as providing "a supportive framework" through its industrial policy that would allow "creative industrial development" by the private sector.

He added, however: "The government can aid the working of the market place in adjusting to the changing environment, but it is the business community and their employees who must make the changes and capitalize on opportunities as they present themselves."

He followed up Reuber's "new reality" theme by describing several trade factors which, he said, must be taken into account in developing industrial policy for the next decade: the Japanese and

European economies have rebuilt and now are aggressive competitors in all parts of the world. The United States is now placing much more emphasis on its self-interest. Less developed countries have been capturing a larger percentage of world investments and markets for their industrial countries.

"The developing countries have focussed on labour-intensive, standard product and standard technology industries such as clothing, footwear and consumer electrical products," he pointed

"Our ability to adapt to the emerging new reality will depend largely upon the rewards we are prepared to offer those who do adapt and the penalties we are prepared to impose on those who do not"

out. "The impact of these industries is one of the major industrial adjustment issues facing Canada today."

Another factor was the "massive shift upwards" in energy prices "and the world has suffered from continuous high rates of inflation and over capacity." Finally, he said, "our cost structure has

grown much more rapidly than that of our principal competitor, and trade partner, the United States."

James G. Frank, director of the Conference Board's compensation research centre, said Canada can still compete internationally in such industries as iron, steel, forest products and primary semi-processed products. However, he said, "it remains a dilemma for Canadians whether they wish to maintain employment in less competitive industries at the expense of higher costs to consumers." Despite the devaluation of the dollar, he did not think Canadian industries that face their strongest competition from low-wage developing countries would experience "any significant turnaround" in terms of employment growth, recapturing a bigger share of the domestic market or greater export sales.

Kevin Collins, senior economist for the Canadian Labour Congress, said it is essential that the issue of jobs be the paramount one at the current Multilateral Trade Negotiations at Geneva. "When goods are traded, jobs are traded as well," he argued. "Canada's imports are considerably more labour intensive than our exports. Canada has been exporting natural resources...and importing the

services of other countries' labour — even though Canada underutilized its own labour force." To Collins, a full employment economy is the best "adjustment" conceivable in the context of liberalized trade.

Collins said the lowering of tariff barriers following the 1967 Kennedy Round of trade negotiations was counter-balanced by increases in non-tariff barriers.

T.M. Burns, president of the Canadian Export Association, said non-tariff barriers included not only deliberate restraints on trade but also the introduction of regulations on such matters as pollution or health "which are legitimate in themselves but risk interfering with the free flow of trade." Other barriers were technical standards and government procurement practices.

Ambassador J.G. Warren, Canadian co-ordinator at the Geneva negotiations, assured conference participants that Canada has made it clear that its objectives include progress in non-tariff barriers affecting Canadian trade.


Alberta's situation reflects Canada's dependency on international trade, the provincial deputy minister of business development and tourism pointed out: "With fewer than 2 million people spread over a quarter million square miles, Alberta, like the rest of Canada, suffers the inhibiting effects of a small domestic market. This necessitates the penetration of outside markets in order to achieve significant economies of scale."

Eric Hehner, chairman of the Board of Corporation House Ltd., pointed out another particular Canadian problem — the country's vulnerability to dumping: "We have a high propensity to import goods competitive with Canadian production, goods which are mass-produced and where there is a high propensity to dump. Our geographical position, the nature of our economic development, our relatively open economy, and a variety of other factors have combined to create this situation. Also, the relative smallness of the Canadian economy makes the

impact of a given quantity of dumped imports far greater in Canada than in a larger economy."

Finally, John E. Toten, chief economist of the Bank of Montreal, told delegates at a session on freer trade that devaluation of the Canadian dollar is no long-term solution to their problems. "The fact is that inflation remains Canada's number 1 problem," he maintained. "If we are unable to solve that problem, our currency will provide only very temporary relief."

A week after the Montreal conference, *The Toronto Star* began a series of three articles by Bruce Wilkinson, a professor of economics at the University of Alberta, who described Canada's competitive potential as "dismal."

More and more, Wilkinson wrote, "the production of mass-produced assembly line products will be shifted to developing lands, as we can already see happening in automobiles." 

EDUCATION

A difficult transition to working life

Students leaving high school or university today are armed with certificates, degrees or diplomas and little else with which to face the demands of the working world. According to the Organization for Economic Co-operation and Development (OECD), the problem will continue to grow unless governments institute long-range plans to merge education and working life.

"The overall structure of employment in the economy and the

content of most jobs do not correspond to the higher levels of educational attainment and aspirations," reports an OECD Joint Working Committee. In a recent report entitled, *Education and Working Life*, the Committee focused on two issues facing member countries: the transition from education to working life and the utilization of education in employment.

Many young Canadians have

grown up with the outdated dream that education means high-paying jobs. But Canada, like other OECD member countries, is recovering from a recession that the committee termed "the most extensive, deepest and longest since the postwar years." Young people are being forced to realize that there is nothing in the system guaranteeing the "good life." The report indicates that: "There remains a high proportion of jobs that are dirty, dangerous, boring, entail low

skills, are low in pay or status or offer no possibilities for development, many of which do not attract members of the domestic force even when unemployment is high."

Governments, industry and education systems must recognize the need for greater co-operation to offset the problems of the student's transition to working life. The report recommends schools give full or at least partial credit for practical experience gained through employment.

Canadian students are still relying on teachers' perceptions of their abilities and an ad hoc method of choosing a career

Ontario teachers are recommending greater use of work placements within the school curriculum; and in Saskatchewan, commercial and technical students are given academic credit for work experience arranged by the schools on full-day, half-day or staggered-day schedules.

In the present Canadian system, the upper high-school levels are geared toward university or community colleges. Yet, as the OECD reports, the majority of students enter the work force between the ages of 16 and 19. The schools are not preparing their students for the working world. Whereas most schools offer classes in sex and driver's education, little or no time is spent on an introduction to the economy, the nature of enterprise, the role of unions or other background knowledge so necessary for work.

But even if the government and the educational system provided for both job experience and work value instruction, there still

remains the overwhelming problem of streaming students into the areas where their talents might be applied. Counselling services are under strain to advise on employment prospects and are exposed to criticism when there are scarcities of jobs or of manpower. In the United States, technical innovation in computers has made it possible for detailed employment information to be accumulated, stored and distributed inexpensively within the education system. Students can determine how to qualify for jobs and training programs and discover the number of jobs that should be available when they enter the labour force. Canadian students are still relying on teachers' perceptions of their abilities and an ad hoc method of choosing a career.

With an increasing number of educated Canadians, another problem faces all workers and employers — higher aspirations and demands from workers.

"Employment patterns have yet to fully reflect the expansion of education, partly because of unsuitable personnel planning, which fails to take into account the changes in the labour force," reports the committee. Workers expect a greater say in management decisions and they want more opportunities for training and education. The committee recommends that it be considered a basic right for workers to receive a certain number of years of education, subsidized by the government, irrespective of when it is taken. In Sweden, unemployed youth fill the gaps when older workers go on training. The older worker is satisfied and the young worker becomes more aware of employment conditions and job prospects.

The OECD recognizes that a push for adult education and retraining

"Employment patterns have yet to fully reflect the expansion of education, partly because of unsuitable personnel planning..."

may change current societal norms. The committee wrote in the report that: "There are reasons to believe that the traditional sequence of education, working life and retirement, which is still the predominant pattern of life for most members of the labour force, may need to be modified." Furthermore, the OECD notes, many persons are more motivated to action than to learning in youth and to reflection rather than action when older.

Employers must be aware of how employees' attitudes are changing and train management to become more concerned with the quality of working life. In a step that looks toward the future, the OECD suggests that it could be a prior condition of public authorization of the finance or location of an enterprise that an assessment be made of the potential impact of manpower in the enterprise and outside it.

But underlying the concerns of the OECD for greater liaison between the working world and the ivory tower lie some practical concerns that cannot be overlooked. One problem concerns the matter of social priority: unemployed workers with family responsibilities and the number of older and retired workers may limit the extent to which employment opportunities can be created for young people under current and prospective economic conditions. Furthermore, government, business and the academic community will not start working together immediately — especially in times when funding is scarce. [9]

Layoffs — can they be avoided?

by Ed Finn

Not all the million or more Canadians without jobs are the victims of layoffs. Some of the younger jobless persons have never been able to find work. Others have left jobs voluntarily for some reason. But it would be safe to say that at least two-thirds of the unemployed — about 700,000 of them — have been “involuntarily separated” from their jobs.

Why were they laid off? Could the layoffs have been avoided? What have their employers, unions and governments done to help them find new jobs, or to cushion the impact of being jobless? Did they receive severance pay? Were they provided with retraining or relocation assistance?

These questions, which go to the core of Canada's shockingly high unemployment rate, are now being pondered by a three-man industrial inquiry commission appointed earlier this year by labour minister John Munro.

The commission chairman, lawyer and mediator Dr. A.W.R. Carrothers, and his fellow commissioners, Jack Munro of the International Woodworkers of America, and Montreal business consultant Charles Perreault, have already received numerous briefs from labour and business organizations, and were scheduled to conduct hearings across the country in August and September.

Their terms of reference seem at first glance to be quite broad, allowing them to probe into the causes of layoffs as well as looking into ways of alleviating

their adverse effects. The latter purpose, however, was the only one alluded to in the Minister of Labour's announcement of the commission's establishment. This raised some concern among unions that the inquiry would not question employers' layoff decisions, but would confine itself to dealing with the plight of workers who are laid off.

Canadian Labour Congress president Dennis McDermott wrote Dr. Carrothers in May to ask whether his commission would indeed exclude any examination of layoff causes. McDermott noted that the terms of reference refer to the commission's function as one of

“For the large majority of people, their job is their principal asset.” A worker should be deprived of his or her job only under exceptional circumstances, and only when all attempts to find an alternative solution have failed

seeking ways “to mitigate adverse effects of redundancies and layoffs.” He said that, if that is the limit of the commission's purpose, its role “will be essentially negative.”

McDermott urged the commission chairman to interpret the terms of reference “in the broadest possible manner” to include such issues as government economic policies, technological change, corporate investment and pricing policies, international trade, and bankruptcy.

In his reply, Carrothers did not give the CLC that kind of assurance. He did say, however, that, “although the immediate objective of the commission is to recommend a code of good practice, we are commissioning a study that will review causes.... You are of course at liberty to put into your brief such materials as you consider appropriate; you may rest assured that you will be heard.”

This still leaves open the question of whether, or to what extent, the inquiry will try to ascertain the reasons for layoffs, and, beyond that, whether companies could justify abolishing jobs in order to improve efficiency or profitability. Going even deeper are questions relating to business firms' social responsibility, the relatively new concept of a worker's “property rights” to his job, and whether the managerial right to hire or fire should be absolute.

These are complex and controversial issues. They are rooted in our system of values as well as our economic system. No one would assess them as being easy to examine, let alone change. And yet they are inextricably linked with unemployment in general, and layoffs in particular. If the commission ignores or evades them, its report will necessarily be superficial and of little real use to anyone.

The unilateral right of employers to deprive workers of their jobs is one of the last vestiges of laissez-faire capitalism. It goes back to the beginning of industrial society, when the doctrines of individualism and property rights pre-

dominated. Owners of business firms were considered free to operate them entirely as they saw fit, and to set the terms of employment on a take-it-or-leave-it basis. Workers either accepted what was offered, or looked elsewhere.

Gradually, however, in response to union and social pressures, the state decided to establish some minimal conditions of work, in the form of factory acts and various minimum-wage and standards laws. But the core of laissez-faire philosophy — the right of employers to operate their companies for economic efficiency and private gain — remained essentially unchallenged in most countries until recent times. Inherent in that perceived corporate right was the freedom to increase or reduce the work force as, how and when management so decided.

This managerial right is still virtually intact in the United States, and only very marginally diluted in Canada. But in most other industrialized nations it has been sharply curtailed, and subordinated to both broader social interests and to the economic well-being of working people.

The new set of values rejects the view that business can function independently of the community, and shrug off any responsibility for the effects of its actions on the community. We have seen the first manifestations of this changed outlook in the public clamor for more effective anti-pollution measures, for more protection of consumer rights, and for a stricter code of business ethics.

The Europeans — and, in a different way, the Japanese — have gone a big step further to impose on their corporations a greater

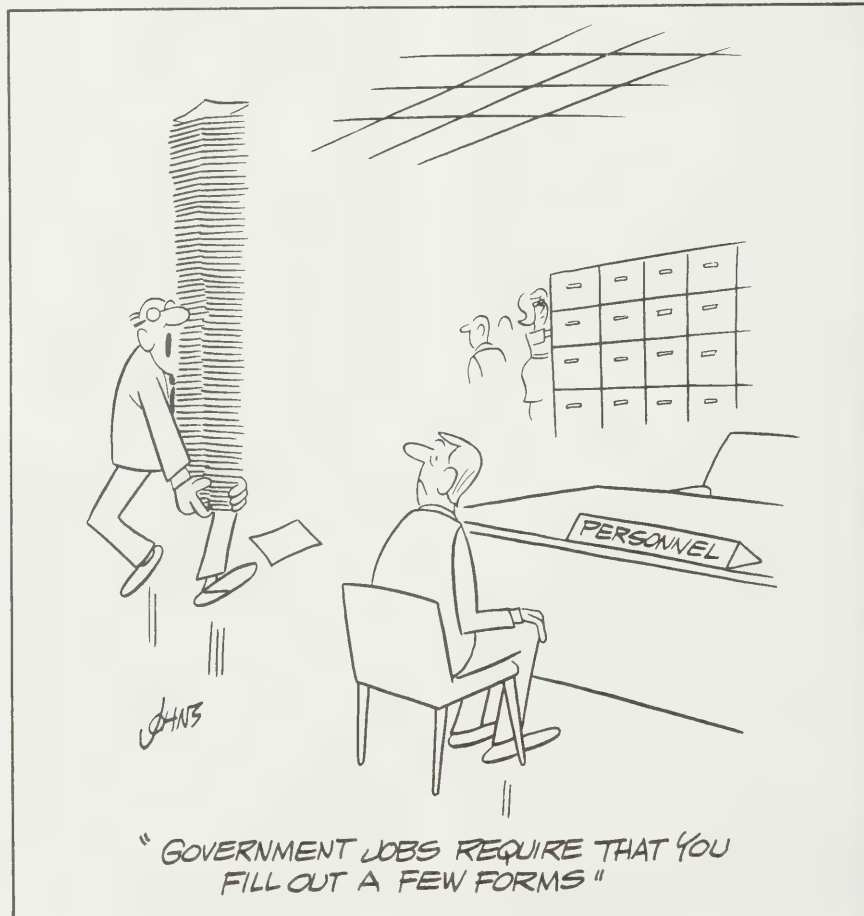
...some concept of the worker's right to his job is implicit in the legislation of most European countries

obligation for the economic welfare of employees. This takes several forms, among them a compulsion to justify layoffs and to make every effort to avoid them. The need to maintain efficiency and a reasonable profit remains paramount, but is tempered by the concept of workers' property rights in their jobs.

Prof. Kahn Freund, the famous European labour lawyer, has referred to "the analogy between ownership of tangible assets and tenure of employment.

"For the large majority of people," he noted, "their job is their principal asset" in which they have invested their time, skill and effort. It follows, therefore, that a worker has at least a morally legitimate claim to keep his "property" — his job — and should be deprived of it only under exceptional circumstances, and only when all attempts to find an alternative solution have failed.

Peter McCarthy, in a study of this subject for Labour Canada, pursued this line of reasoning: "If separation is unavoidable for reasons of economic efficiency, the price of the employee's property is the fullest consideration for his economic and social welfare before, at the time of, and after job termination. This is a



responsibility to be shared by the state and the employer — the state by translation of the principle into practice by legislation; the employer by adherence to the rules laid down by law or by collective agreement.”

Even in the more enlightened European countries, employers have not willingly embraced a commitment to their workers’ welfare. But they have been subjected to much more pressure from governments and unions to do so. In Japan, of course, such pressures are mainly cultural. That country’s social customs have led

The degree of job protection and job-loss compensation accorded to Canadian workers falls far short of the European average

to a much more paternalistic relationship between companies and workers than is the case anywhere in the West. Japanese workers, except in the most unusual situations, can normally rely on employment with the same company for life.

Comparisons with such an alien way of life are not relevant to North America. What has happened in the various countries of Europe, however, is well worth discussing, because of the similarity in political and economic systems on both sides of the Atlantic. Space limitations preclude a country-by-country analysis, but several general observations can be made.

First, some concept of the worker’s right to his job is implicit in the legislation of most European countries.

Second, companies contemplating layoffs in most countries have to consult with the union and/or

works council well in advance, and must notify an appropriate government department or agency. This is true for both individual and group dismissals.

Third, most countries require companies to justify layoffs in terms of the effect on the workers and their families, on the community, and on the economy, as well as on business efficiency.

Fourth, most countries provide machinery for investigation, conciliation and appeals in job terminations.

Fifth, at least a few countries allow workers time off with pay during their period of notice to find other work.

Sixth, most countries compel companies to give the maximum advance notice of layoffs, and insist that layoffs be effected in a manner that minimizes the impact on the local labour market.

Seventh, when layoffs are deemed justified, most countries compel employers to give affected workers substantially more generous severance pay than is customary in Canada.

McCarthy’s report emphasized that, while all these developments have greatly weakened the formerly unlimited right of employers to lay off at will, any company that can prove that its operations would be impaired if it could not reduce its work force is allowed to do so — but only after joining with the state to do everything possible to alleviate the effects on the laid-off employees.

“This much we can say with confidence — that modern industrialized societies have mostly rejected the social value that the employer has no obligation to the worker to be deprived of his

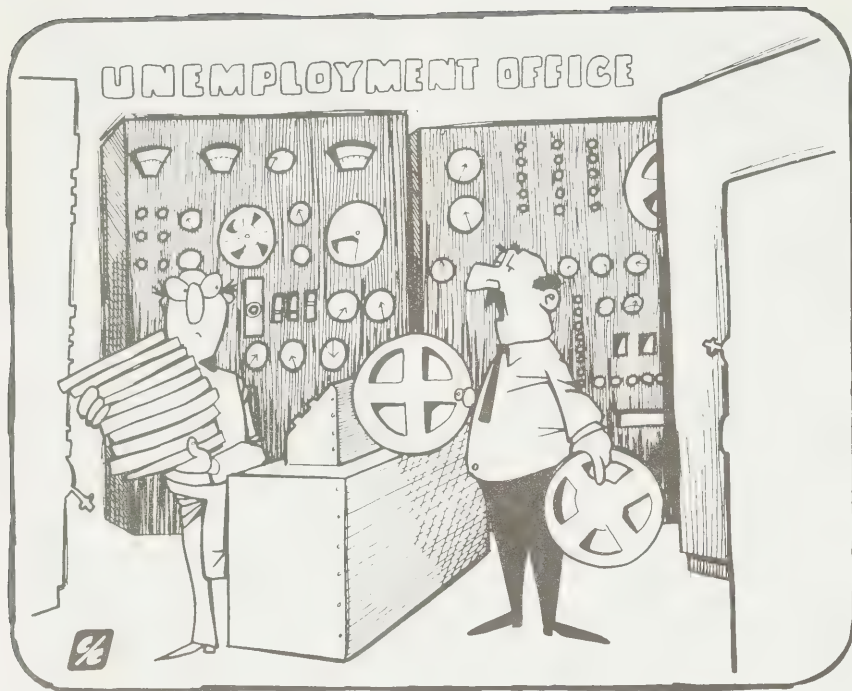
The Canadian employer is still under no legal or even moral constraint to consider the well-being of his employees when reducing his labour force

means of livelihood,” McCarthy concluded. “The contrary is true. Countries are certainly at different stages of the process...but they seem, nevertheless, to be traveling toward a common goal — job security, and extended consideration and help by employers when job termination is unavoidable.”

The United States, as noted earlier, continues to resist the trend in Europe. The free enterprise creed remains strong there, and the employer’s right to cut staff is restricted only to the extent that collective agreements covering unionized workers compel him to give advance notice and to lay off the most junior employees first. Considering that three out of four American workers remain unorganized, and that most agreements don’t even require prior notice of layoffs, the restriction on U.S. employers’ right to hire and fire is minimal. There is no legislation to curb that right, nor is there any law requiring employers to give laid-off workers severance pay.

The degree of job protection and job-loss compensation accorded to Canadian workers is slightly better than that prevailing in the U.S., but falls far short of the European average. This country’s geographical, economic and labour links with the U.S. have strongly influenced our industrial relations system and the attitude of our governments toward the provision of minimum work and wage standards.

Prior to the 1970s, few Canadian governments questioned the right



If this work load keeps up, we'll need another computer.

of companies to lay off at will. Layoffs were seen, at most, as an unfortunate byproduct of the efficient operation of the free enterprise system, and the problem of job loss as the personal misfortune of those who became its victims. It was felt that, as long as government provided unemployment insurance and some retraining and relocation help, that was as much state intervention as was required. Job security as such was left to the collective bargaining process; but, as in the U.S., the most our unions could do was obtain some advance notice of layoffs, bargain for supplementary unemployment benefits, grieve against arbitrary or unfair dismissals, and give senior employees preference over junior ones in job retention and "bumping" rights.

It was only within the last decade that a few provinces inserted clauses in their labour codes covering collective dismissals, and

then mainly to require minimum periods of notice. It wasn't until 1971 that the federal government added legislative provisions for notice of individual and mass dismissals, and for minimum levels of severance pay.

A reversal of approach from cure to prevention is urgently needed. If the various European preventive measures had been adopted by Canada, our unemployment rate would be lower.

These developments, while significant, still leave Canada more within the American conceptual orbit than that of the Europeans. For the Canadian employer is still under no legal or even moral constraint to consider the well-being of his employees when reducing his labour force. So long as he gives the stipulated notice

and dispenses very meagre severance pay, he remains free to lay off as many workers as he wants, as often as he wants. The doctrines of corporate social responsibility or a worker's job rights remain excluded from our legislation.

Prof. Fred Caloren of the University of Ottawa did an in-depth study of layoffs, shutdowns and closures in Ontario several years ago, and found that over a period of 18 months in 1971-72, 97,000 workers in that province were laid off. And that was in a time of comparative economic prosperity. Had his study taken place more recently, it would no doubt have found the number of layoffs in Ontario to be much higher.

The only legislative "protection" accorded workers in Ontario is that the province's Employment Standards Act requires advance notice to be given when 50 or more employees — or 10 per cent of a firm's work force of 500 or more — are to be laid off within a four-week period. It is easy for an employer to evade this regulation by laying off fewer than 50 workers at a time, or spreading the layoffs over more than four weeks.

Caloren, in fact, noted that "all too often, the (management) practice was designed to breach these constraints by the manipulation of numbers...so that by a technical observance of the regulations mass layoffs were in fact effected without the costly inconvenience of advance notice.... Such layoffs were obviously conducted with a view of depriving workers of their rights under the law."

In a section of his report dealing with the stated reasons for layoffs, Caloren is skeptical of some managerial excuses. One in five layoffs, for instance, were attributed to "seasonal" fluctuations. But

"careful scrutiny revealed that work interruptions of this type, said to be seasonal, do not lie so much within the dictates of natural forces as within the determining power of convenience and advantage — the employers' advantage."

Other reasons given by business officials for layoffs included government measures (such as pollution abatement standards), marketing difficulties, increased competition, high inventories, loss of client or contract, and failure of a parts supplier.

About 14,000 of the Ontario layoffs studied by Caloren were blamed by management on labour disputes. References were made to "crippling strikes," and "impossible wage demands." But Caloren found that, "in a significant and

Contrary to popular belief, our unemployment insurance plan is not the best in the world. In some ways...ours is the worst

disturbing number of cases, employers used their prerogative to dispose of workers...to prevent union organizing, to get rid of unemployed workers, to cow workers into minimum contract settlements, to bring influence on government and 'keep workers in line.' Such practice surely demands the closest scrutiny."

Possible mismanagement was cited in only 5 per cent of the layoffs, which Caloren dryly described as "no doubt an understatement of the facts."

He was sharply critical of the climate of public opinion that apparently accepts the employers' arbitrary layoff powers: "The evidence is that worker layoffs as a mode of rationalization are conducted in the sole and limited

The commission calculated that a staggering 34.9 per cent of Newfoundland's labour force was unable to find a job

interest of the corporation. Employment reductions are a self-serving act of management carried out virtually without hindrance from the interests of those who stand to be damaged."

He urged that governments in Canada concentrate on trying to prevent layoffs, rather than "mopping up afterwards, at enormous cost to the victims and society."

In Caloren's view, three basic measures are called for: (1) ensure that companies' production goals are commensurate with society's needs; (2) ensure that companies' goals are compatible with the needs and interests of employees; and (3) ensure that workers and the community have a voice in determining corporate goals and behaviour.

Noting that such policies "are not unknown in other industrialized nations," Caloren said that they are essential if prevention of layoffs is to take the place of inadequate and costly palliatives.

A reversal of approach from "cure" to "prevention" is all the more urgently needed in Canada, now that the numbers of unemployed have doubled in the years since the Caloren study. In most of the European countries, the unemployment rate is still below 5 per cent, which is considered a major crisis, and which earlier this year sparked a day of mass protest strikes throughout the continent. Perhaps, if the various European "preventive" measures had been adopted by Canada, our unemploy-

ment rate, too, would now be considerably lower.

Instead of trying to grapple with the causes of unemployment, the tendency in Canada has been to castigate the unemployed as lazy and shiftless, and to curtail their already inadequate income support benefits. Contrary to popular belief, our unemployment insurance plan is not among the best in the world. In some ways — particularly in the length of the waiting period and in the cost of premiums — ours is the worst. And the amendments to the plan enacted last winter, increasing the qualifying period, have had the effect of denying benefits to many thousands of workers who are genuinely in need of them.

The People's Commission on Unemployment in Newfoundland, in its report issued last June, documented some of the hardships inflicted on jobless Newfoundlanders by the latest UIC restrictions. It estimated that at least 10,000 would-be workers have been disqualified by the requirement that they find 10 weeks' work instead of eight before becoming eligible for unemployment insurance.

"Precisely at the time when clearly there are no jobs," the commission stated, "when unemployment insurance or welfare do not provide a decent standard of living, the government has forced the unemployed and the poor to shoulder greater economic hardship."

The Commission, headed by Rev. Desmond McGrath, a Roman Catholic priest, strongly attacked the official Statistics Canada unemployment figures for Newfoundland. In a detailed statistical analysis of StatsCan's methodology, it produced data indicating that the "official" unemployment rate for Newfoundland last March

— 16.5 per cent — was less than half the real unemployment rate. The commission calculated that a staggering 34.9 per cent of the province's work force, or more than one worker out of every three — was unable to find a job.

While the unemployment situation in Newfoundland, regardless of the actual numbers involved, is more serious that it has been in other parts of the country, the People's Commission's indictment of the misery, poverty, family breakdown, and social dislocation that accompany unemployment applies to every province.

A brief to the commission from the St. John's Oxfam Committee described the present economic system in terms that have national relevance: "Jobs are dependent on business — where it decides to locate and whether it will invest more heavily in machinery than manpower, or vice versa. And business decisions are geared to one aim — profits. It is not the primary concern of business to create employment; its loyalties

"Young people are brutally moulded into consumers by a multi-million dollar advertising industry, and then told they are not needed as workers"

are to its investors, its shareholders."

The commission itself referred to "the profound feeling of people in all walks of life that, somehow, the whole system around us is not working the way we want it to.... While some of us enjoy unprecedented affluence, others are denied all but the meanest levels of living. Working people are arbitrarily divided into 'haves' and 'have-nots' by luck and geography. Young people are brutally moulded into consumers by a multi-million-dollar advertising industry, and then told they are not needed as workers."

In concluding its report, the commission declared that "the economy should not be the master of our destiny, but rather should serve the goals and aspirations of us all.... The challenge of our future is to shape political, social and economic structures that will better meet the needs of all our people."

In a way, that is also the challenge facing the Commission of Inquiry on Layoffs. No one expects it to actually produce a blueprint for such a momentous change. It has neither the mandate nor the resources to do so. But neither is it so limited by its terms of reference that it must slavishly accept the economic status quo, and consider only possible ways of mitigating its adverse effects on laid-off workers.

The issue of layoffs exposes the dark underside of our economic

system. It is a symptom of the malaise that spreads throughout a society that enshrines the profit motive without making it subordinate to the overall public good.

The dimensions of the problem have been graphically revealed by the McCarthy and Caloren studies and the report of the People's Commission on Unemployment in Newfoundland. The corrective steps taken by other countries to provide workers with greater job protection are also readily apparent. It remains for the federal commission of inquiry to apply these lessons and precedents to the Canadian economy, to formulate recommendations for preventing layoffs, and, in cases where layoffs are unavoidable, to improve existing methods of cushioning the impact on the unemployed.

This will call for courage, imagination, and innovative thinking, all qualities that the inquiry commissioners possess, both individually and collectively. But it remains to be seen whether they are prepared to utilize them in carrying out their study and writing their report.

The Canadian labour movement is hoping that the commission's report will not be confined to the recommendation of more palliatives; that it will instead be a probing and challenging inquiry that proposes a more equal balance between the right of an employer to operate efficiently and the right of a worker to hold a job. What is needed is not another blanket endorsement of management's unilateral right to hire and fire, but a long overdue prod toward the more civilized European system. **[g]**

Ed Finn, director of information for the Canadian Brotherhood of Railway, Transport and General Workers, is a Toronto Star columnist and regular contributor to The Labour Gazette.



The productivity problem

by Susan Goldenberg

By 1985, computers will be running both the assembly line and the executive suite in many Canadian factories as manufacturers seek to improve their productivity.

For factory workers, productivity improvement programs will have repercussions that are both good and bad. On the plus side, employees will get a better working environment, including such improvements as more comfortable work stations, as management seeks to boost productivity by making staff happy. But, on the negative side, there will likely be fewer people employed in these amenity-filled factories than there are today.

With robot arms, run by computers, operating assembly lines and computers controlling inventory, purchasing, and layout, there will be less work for human beings. With unemployment already at record highs, this prospect of a more automated future is a gloomy one for plant workers.

On the other hand, manufacturers believe these changes are essential for their survival and argue that by allowing them to stay in business, productivity improvement programs will maintain jobs.

More effective and productive plant management is today's leading priority among manufacturers as they struggle to improve both market share and profit margins in a sluggish economy. One reason for their productivity drive is that successful programs may produce savings of up to 30 per cent. Also

of concern is Canada's poor productivity performance as compared with other nations, which makes Canadian manufacturers less competitive worldwide.

According to Statistics Canada, output per man-hour in manufacturing increased 3 per cent in 1976. While this was better than in 1974 and 1975, it was lower than the average growth rate of 4.1 per cent over the past 30 years. Furthermore, the U.S. pace was double Canada's, with its overall output increasing by 6.5 per cent.

With robot arms, run by computers, operating assembly lines and computers controlling inventory, purchasing, and layout, there will be less work for human beings

And Canada measures up badly internationally, too. According to a recent U.S. Bureau of Labor Statistics study of 1976 productivity growth in 12 western industrial nations, Canada ranked second to last in gains. The highest rate — 12.9 per cent — was achieved in Japan and the lowest — 0.3 per cent — was in Sweden.

In addition, growth in the Canadian labour force is no longer exceeding population growth. Thus, the extent of future economic growth will be more dependent on productivity increases. And if productivity performance over the next decade is no higher than in the past, real growth will be about 1 per cent a year smaller than over the past two decades.

In view of this worrisome outlook, it is not surprising that productivity is Canadian manufacturers' top priority. Many, however, find it difficult to pinpoint whether their problem lies in outdated machinery, poor layout or lack of employee motivation.

But management consultants warn that manufacturers must consider all these areas or they will wind up erasing the symptoms but not the problem itself. "Most companies still think of productivity in a sectionalized way and, therefore, do little about the overall problem," says Robert Moore, vice-president, Stevenson & Kellogg Ltd. of Toronto, a leading management consulting firm.

Computer-run factories are inevitable, management consultants say, because the cost of computers is constantly falling and because they allow much swifter decisions about how to improve productivity.

Also, because the modernization will be in systems rather than plant structure, manufacturers will not face the huge expense of replacing plants and manufacturing processes.

This, in fact, is the big selling point of computer systems. Even now a computer can cost as little as \$20,000, so small manufacturers already can afford them. And based on past experience, with computer prices now only one-seventh of what they were 15 years ago, manufacturers can count on even cheaper prices in the future.

"Manufacturers can expect a pay-back within two years of purchase as well as a minimum 10 per cent return on investment," says Roy Hedberg, systems engineering manager for marketing support data, IBM Canada Ltd.

The biggest change in factories over the next decade will likely be the widespread use of robot arms, manipulated by computers, to do assembly line work.

Computer-directed steel robots, priced at \$4,000 to \$100,000 depending on sophistication, are already on car assembly lines, fitting parts together and riveting screws and bolts. Now, two United States scientists have developed robot arms which can be programmed to perform several tasks in sequence or a new task, as well as to shift position. "The robots are not faster than human labour," says James Nevins, one of the two scientists who developed the system at Charles Stark Draper Laboratory in Cambridge, Mass. "But because they never make errors, they can reduce downtime by 15 per cent."

Consultants rank training and performance targets ahead of incentive bonuses to boost output

While no price tag has been set yet, Nevins says these sophisticated robots would not necessarily be costlier than those now on the market.

One of the biggest areas where the computer has already had a major impact is in the conveying system. Here computers are used to monitor where something is going wrong, where materials are in the system, or what supplies replacing, as well as to direct the equipment.

Such systems can cost anything from \$25,000 to several million dollars, depending on their amount of programming and the size of factories or warehouses. "But these systems can provide a payback within two years and the increased productivity will lower costs and release people from

repetitive jobs," says R.B. Rumsey, vice-president, Jervis B. Webb Co. of Canada Ltd. of Hamilton, Ont. Webb is a major supplier of conveyor belts and computer-directed conveying systems.

In addition to production line work in factories of the future, computer systems will also be controlling the atmosphere. By monitoring energy use, computers can reduce the amount of power consumed at non-peak times. "Such systems can cut energy waste by up to 30 per cent," says John McKenna, market manager, building management systems, Honeywell Ltd., a Toronto-based computer manufacturer.

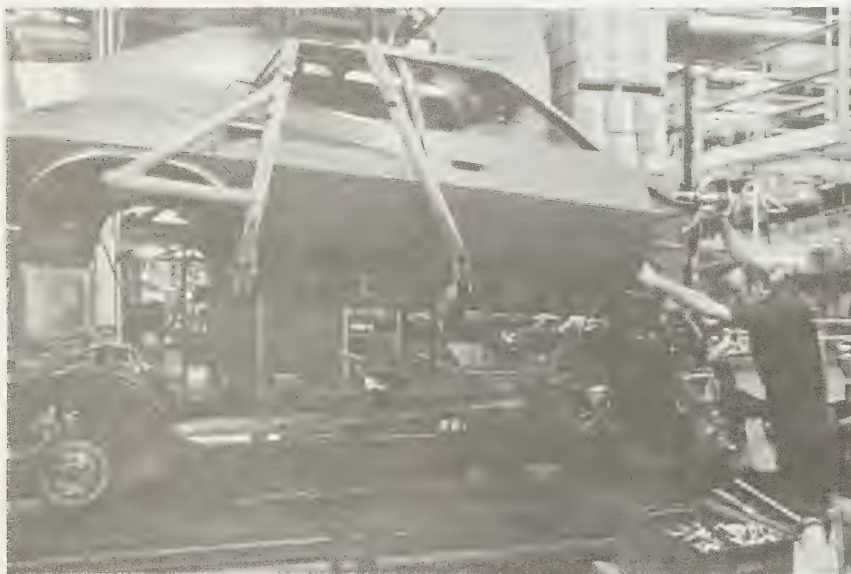
The computer allows better energy management in several ways. First, it turns off heat or air conditioning at non-peak times.

Second, by keeping data on daily and monthly consumption trends, the computer also allows management to decide if it needs to take action, such as greater insulation, to reduce energy consumption.

While the cost of computers is falling, the cost of plant machinery is rising and, thus, management consultants say the hardest productivity change for manufacturers to accept is the purchase of new equipment. "Many companies keep getting along with outdated equipment and don't appreciate the cost of this through breakdowns and the way these slow employees and affect work quality," says Stevenson & Kellogg's Robert Moore.

Nevertheless, manufacturers take a hard-nosed approach toward capital expenditures, with many calling for a 30 per cent return on investment.

But while computers and faster production machinery are crucial for increased productivity, workers'



The biggest change will likely be the widespread use of robot arms



"Some of these modern machines can do anything."

performance is equally important. Consultants rank training and performance targets ahead of incentive bonuses to boost output. They are not alone in this attitude.

Labour unions are opposed to fixed productivity increases as they make workers dependent on chance. "If productivity is decreased to match decreased market demand, workers lose out if their increase is tied to productivity," says Borek Zofka, of the Canadian Labour Congress' research department.

The rule of thumb is that incentive bonuses cost 1 per cent more of salary for every 1 per cent more output. But management consultants encourage companies to avoid incentives because they are virtually impossible to remove.

However, sometimes wage incentives are the perfect solution. A case in point is Thomas Built Buses of Canada Ltd., a Woodstock, Ont. school bus builder with \$10 million in annual sales.

A dual incentive system of bonuses for extra output enables Thomas to raise production without increasing staff in peak periods, while time off in slack periods reduces overhead costs of keeping the plant open. Together, the incentives have increased output by 16 per cent according to Vice-President Roger Chilton. For a company whose total wages are close to 10 per cent of revenue, that increase in productivity makes a big difference to Thomas' profit.

"Work stations now are designed for standard-size persons, but many persons just aren't standard size"

Companies that are reluctant to get locked into wage incentives often use the alternative of financial rewards for employee suggestions that are implemented. For example, Steel Co. of Canada Ltd., Canada's largest steel producer, gives maximum rewards of \$5,000 for ideas that are used. Generally speaking, Stelco saves

\$3 to \$4 for every dollar paid out in rewards.

In addition to incentives and bonuses, worker productivity can also be improved by providing a more pleasant working environment.

Improving working conditions can be inexpensive, involving the simple re-arrangement of furniture. "Work station and tool racks should be adjustable to positions that are comfortable for workers," says Ian Hill, manager, industrial engineering projects, Giffels Associates Ltd., a Toronto consulting engineering firm. "Work stations now are designed for standard-size persons, but many persons just aren't standard size."

The working environment also is likely to improve because new occupational health standards, now in the pipeline at the federal and provincial level, will require improved conditions.

At the federal level, the new Canadian Centre for Occupational Health and Safety, funded by the federal government, will evaluate trends in working place hazards and establish a scientific and technical information system about occupational health.

Improving equipment, working conditions, and workers' performance form only part of the productivity improvement equation. Equally important is upgrading methods of inventory control, purchasing, and recycling materials.

For example, Northern Telecom Ltd. of Montreal, whose productivity improvement rate of 12 per cent is four times the national average, centralized its purchasing operations for its 25 Canadian plants in 1972. The company estimates total savings in this area since then are almost \$50 million.

Northern Telecom has also spent \$1 million on equipment to recycle scrap copper. Resultant savings last year alone were \$11 million and the company expects to double this amount by 1973.

Although improving productivity is of widespread concern among manufacturers, most have pursued individual programs — with one major exception. Canada's 87 aerospace manufacturers are the first industry to organize an industry-wide productivity improvement program, with the primary purpose of examining production methods and management controls.

Air Industries Association of Canada President David Mundy says the program, which was started when the industry was on the upswing after a three-year slump, is aimed at keeping its bullish pace.

"We want to reinforce our success, especially since the Canadian business environment is difficult and the worldwide

Canada's 87 aerospace manufacturers are the first industry to organize an industry-wide productivity improvement program...

technology market is becoming more competitive," he says.

Manufacturers seeking to improve productivity are increasingly turning for help to management consultants and industrial engineers, both of whom are skilled in measuring worker output.

Management consultants charge \$200 to \$600 a day for each consultant, and projects can take as long as two years. In the next few years it will be a seller's market for industrial engineers because there are only 545 industrial engineering students at Canadian universities out of a total engineering enrolment of 26,500. Starting industrial engineers can earn \$15,280, up 8 per cent over a year ago. Experienced ones can make \$40,000.

Federal financial assistance is available to companies wanting consulting services. The Enterprise Development Program branch of the Department of Industry, Trade and Commerce provides up to 50 per cent of the cost of productivity improvement studies, on the condition that most of the work be done by experienced outside consultants.

While there is no limitation on the amount of money, the normal ceiling is \$50,000.

Free industrial engineering advice is available from the technical information service division of the National Research Council. But because it only has a staff of 40, spread between Ottawa and 16 field offices, TIS can only handle about 800 cases yearly. "A recent review of 107 cases handled since 1972 showed that these companies subsequently increased sales by \$18 million, 223 jobs were created, and the federal government gained \$8 million in increased sales taxes," says TIS chief Rene Paquin.

TIS also offers a \$100, 50-issue-a year subscription to articles that match subscribers' interests, and sends out general interest articles to 60,000 manufacturers at a charge of \$2.20 each.

With the abundance of help available to them from the government, management consultants, and new computer technology, it is inevitable that the stress on productivity among Canadian manufacturers will accelerate in the coming years. But while the factory of the future will be more productive, its implications, of less available work for people, are immense and frightening. [g]

Susan Goldenberg is a staff writer with The Financial Times of Canada



Canada measures up badly internationally

Can industrial relations cope with the challenges of the 1980s?

Escalated labour-management confrontation and massive government intervention will mark the 1980s unless Canadian companies and unions adopt new industrial relations attitudes free from "adversarism" and inertia.

This is not the pessimistic view of some doomsday economist. It was the clear consensus that emerged at the Spring Conference of the Personnel Association of Toronto (PAT), regarded as the largest annual gathering of personnel and industrial relations people in North America.

Such valuable concepts as tripartism have fallen victim to the spirit of adversarism in Canada, the conference was told, while at the same time inertia is making Canadians trail behind Europe and Japan in the more sophisticated IR concepts like employee participation.

To make things worse, grievance arbitration is losing its viability as an instrument of industrial justice and stability — at a time when a large number of collective agreements are up for negotiations within the next year or so. Regardless of the technical reasons given for the increasing inadequacies of the arbitration mechanism, it remains true that the gap between labour and management — a gap that industrial relations has failed to bridge — will be responsible for more work stoppages, further undermining the prospects of the Canadian economy.

Jean-Luc Pepin, co-chairman of the Task Force on Canadian Unity, appropriately launched the conference by dwelling on "the unbelievable contradictions and ambivalence" which his group had found all over Canada.

"There is a tremendous diversity of views on almost all issues...on any issue we are divided in so many ways...confusion in Canada is incredible," he said.

Pepin spoke about negativism and the atmosphere of confrontation and adversarism that exist in Canada today, blaming these for the failure of tripartism which was aimed at achieving a better, more civilized system of relationships between labour, management and government.

"An important step toward cooperation is changing the traditional view of the role of the worker to give him a greater stake in his company..."

He said Canadians tend to look on life as a tremendous hockey game where there must a loser and a winner, but "this is becoming so excessive that the country's very fabric is endangered."

"Unless there is a more friendly, constructive approach we all stand to lose tremendously," he warned. At the present time there appears to be no great eagerness to compromise, "yet if you want to keep

the country together it will have to come."

In the meantime, the implications of continuing uncertainty are exacting their toll on business and industry, with companies moving and investments postponed. The situation is so complex that no simple formula will be sufficient, but "only a great diversity of measures," Pepin said, adding that, "We must be much more sophisticated than in the past."

He emphasized that personnel and IR officers have a special role to play through their unique position between employer and employee. Pepin suggested that each company is like a mini-confederation where such concepts as power-sharing, interdependence, individualism and totality must be reconciled.

The atmosphere of adversarism was also blamed for making Canada lag in employee participation experiments, which have been applied with remarkable success in Europe and Japan and, in isolated cases, in Canada and the U.S.

Charles Connaghan, vice-president of administrative services, University of British Columbia, said that management in Canada commonly regards employee participation as a direct threat to traditional managerial rights and "indeed fears that with accommodation on this point a trade union State would be a matter of time."

Management further maintains that employee participation would impair the quality of decisions and slow down the decision-making process but, in Connaghan's view, any delay is more than offset by the ultimate production bonanza.

Unions, too, have misgivings and are not exactly ecstatic about the prospect of employee participation. They argue that having a couple of union representatives on 12-member company boards amounts to no more than token recognition, while in effect undermining union power to organize workers.

Canadian unions also say they have other priorities and that industrial democracy is not a main concern. Connaghan suggested, however, that in the European Community the threat of unemployment, rather than industrial democracy per se, is the primary union motive for employee participation bids. Without adopting a similar stance, Canadian unions can suffer serious in-group tensions and conflicts of interest

"...arbitration is no longer the fast, cheap, informal process it was initially intended to be."

with the expected influx of younger workers in the labour force.

In any event employee participation is imminent, Connaghan said, especially with the growing trend in this direction in the United States, which usually sets a pattern for Canada. He predicted that collective bargaining will spawn new methods of employee participation and that the government and Crown corporations will be setting precedents and encouraging the private sector to increase effective participation. He expressed conviction that only joint board committees, and eventually policy-level representation for labour, can convince workers that they have a stake in their company and avert unreasonable demands.

Connaghan said the government's

right to intervene is an accepted fact of life in Canada and will continue, even to the point of interfering in "normal employer-employee relations...much more than in the U.S."

The government approach is to be applauded in many cases, including the development of a national safety code and the desire to restructure collective bargaining, he said. But to avoid excessive government intervention, collective bargaining must be made more effective and "the attitudes of all to industrial relations must be brought in harmony."

"Mr. Pepin is quite right. What future do we have without co-operation?" Connaghan said. An important step toward such cooperation is changing the traditional view of the role of the worker to give him a greater stake in his company, he asserted.

The more progressive theories of horizontal organization, elimination of status symbols and the introduction of labour ownership were championed by internationally known business economist and management consultant Gunter Klaus.

Looking at possible trends for "management by motivation" in the 1980s, Klaus saw a decline in the role of status symbols as incentives, met on the other side of the coin by the growing importance of participation, involvement, security, sharing of results and perhaps ownership. The more worker ownership the less strikes, Klaus said, but unions perhaps fear this would be the kiss of death for them, while many employers would have a heart attack if unions were introduced on company boards.

It is up to personnel and industrial relations people to reconcile these

Toronto Star Syndicate



"I suppose as chief beneficiary, he figures he has a right to be here."

viewpoints through innovation and ingenuity so that the challenges of 1984 — the theme of the two-day conference — can be successfully met, he said. Balance sheets now show employees only under “costs,” and it is up to personnel, “the people’s people,” to correct this situation.

“Accountants must have invented the neutron bomb, destroying people and keeping assets,” he quipped. “The balance sheet is absolutely correct but totally useless...it is up to you to return goodness to business.”

Klaus cited the example of Japanese industry’s emphasis on people and horizontal organization. At Mitsubishi all 450,000 workers must agree to new company plants. “If they do not agree the company tries to sell — not tell — the idea to its employees. But once they agree, watch out.”

The new role of personnel managers as diagnosticians and policy formulators — all necessary functions for dealing with the productivity crisis and increased labour-management tensions — was discussed by Tupper Cawsey, associate professor of business and economics at Wilfred Laurier University.

Cawsey said personnel officers are no longer the record-keepers, bureaucrats or scapegoats. They have a dynamic role in changing the ideology of society from efficiency to effectiveness; in bringing about compatibility of organizational and individual objectives and in keeping pace with the shift in peoples’ expectations from equality in opportunity to equality in results.

Cawsey also spoke about government intervention, which he described as “overwhelming and unprecedented” in Canada.



Although, one specific area where the government may indeed do more is grievance arbitration arising from collective bargaining agreements especially since such arbitration is no longer the fast, cheap, informal process it was initially intended to be.

“Increasingly people look to government for solutions.... We are not happy with this but there is nothing we can do about it...”

The growing uneasiness about the future of grievance arbitration is evidenced in the recent appointment of an Ontario Commission of Inquiry to study the system, and make recommendations for change. Some views have already been expressed that the entire system should be discarded and replaced by some form of public institution.

Donald Munroe, vice-chairman of British Columbia’s Labour Relations Board, said the three-decade-old grievance arbitration concept

had been highly effective at first, with hearings quickly set up and completed in one day. But in the last several years a myriad of legal and practical problems have surfaced, eroding the effectiveness of arbitration as a peaceful alternative to mid-contract work stoppages.

Firstly, labour laws in nearly all Canadian provinces stipulate that differences over the interpretation or application of collective agreements must be submitted to a third party for a final and binding decision. But in most instances that is all that is said on the subject. As a result of this silence, cumbersome rules applicable in commercial arbitration have been clamped on labour arbitration even though there are vast differences in nature between the two.

Arbitration is also becoming costly and time-consuming. In Ontario, the average time between a grievance arising and being heard is around five months, and the financial drain, both in terms of direct cost and manpower time, is horrendous for both parties. This is partly the fault of the unimaginative approach of the parties

themselves and partly that of the arbitrators, who are turning arbitration into a new profession, Munroe said.

The result of these costs and delays is that many average employees with legitimate grievances against management are denied an impartial ruling. Employers may be happy about winning such grievances by default, but they face a greater risk: the shutdown of their operations through a wildcat strike by employees who have lost confidence in the peaceful alternative promised them by the collective bargaining statute.

"New management techniques and approaches will be required to enhance motivation, end confrontation and provide a sense of identity with corporate goals..."

When the government acted in British Columbia, Munroe said, the industrial relations community was ready for such action. Wildcat strikes were becoming a daily part of life and were affecting not only the immediate parties but also the general public.

The government undertook a major legislative overhaul in 1973, essentially to provide for appointment of a Labour Relations Board officer — at the request of either party — to assist in settling a grievance prior to the appointment of an arbitration board. If settlement proves elusive, the officer reports in detail to the Board, which on the merit of each case, either issues a final and binding decision itself or refers the matter to an arbitration board.

In practice the system has fared very well. The Board receives approximately 600 applications a

"companies will have to deal with incredibly complex political, economic and social environments...the people challenges are the most crucial to face"

year, of which nearly two thirds are disposed of by voluntary settlement at the officer stage. The Labour Code allows parties to a collective agreement to opt out in writing from application of this procedure, but where a dispute is a source of industrial unrest, or is leading to a work stoppage, the government may intervene on its own. "This is being employed with increasing frequency and with good results," Munroe said.

"In the final analysis", he concluded, decisions about whether the grievance arbitration system will be emasculated, or simply finely tuned, are in the hands of the respective parties. They simply must provide more attention to the current problems. If they accept this responsibility and respond in realistic ways...they will likely be allowed to retain the larger benefits of an essentially private mechanism. If they do not, the public interest may be seen to override these benefits; and their inaction will result in massive state intervention."

The ever-present spectre of government intervention was acknowledged by H. Brent Scott, president and chief executive officer, Syncrude Canada Ltd. "Increasingly people look to government for solutions.... We are not happy with this, but there is nothing we can do about it," he said.

The second major feature of the 80s — after government intervention — will be the "people's challenge," Scott said.

New management techniques and approaches will be required to enhance motivation, end confrontation and provide a sense of identity with corporate goals, he emphasized.

"Technology and money can be found, but we must attract and retain highly motivated people or we will fail. Productive, satisfied people are the key to our future," he said.

"We believe the people challenges are the most crucial we face," Scott added, mentioning that Syncrude's investment in each employee will be one million dollars and that the average plant worker will be in a position to make mistakes as costly as any manager.

"The 80s will be intensely competitive for labour," Scott said. "We shall have to develop new and unprecedented skills and attract thousands of such highly skilled people — highly in demand elsewhere — and forge them into a team."

Syncrude is in many ways a model super project of the 80s, with a \$2-billion investment in Alberta. Not yet fully on the road, its problems and plans are those of the next decade. "We have relatively more freedom to innovate...to be a human resource laboratory," Scott said.

With the 1980s rapidly looming on the horizon many exciting but very demanding challenges lie ahead. Companies will have to deal with incredibly complex political, economic and social environments. They cannot hope to do so successfully without dynamic industrial relations techniques oriented first and foremost toward people, Scott concluded. [E]

— Bill Megalli

Employment of the handicapped in the federal public service

by Paulette Bourgeois

Following two years of pilot projects, studies and discussions with handicapped persons, the government has reached the uncomfortable conclusion that it not only discriminates against the handicapped but actually hinders their employment.

A report commissioned by the president of the Treasury Board, Robert Andras, on the *Employment of Physically and Mentally Handicapped People in the Federal Public Service*, noted that: "Handicapped workers do not receive reasonable opportunities to obtain jobs in the government."

But unlike other reports that collect dust on the back shelves, Andras has followed most of the recommendations made in the report and has launched a major federal government campaign to provide equal opportunity employment for the physically and mentally handicapped.

According to the report's authors, Virginia Miller and Helen Morton, the handicapped are eliminated from consideration for jobs at every step of the hiring process; they are prevented from even applying for jobs because of architectural barriers, and job opportunities for the handicapped are reduced and the costs of holding a job are increased by the lack of, or the high cost of technical aids and suitable transportation. But, perhaps the most disturbing aspect of the report is the recognition that ignorance and

myths about the handicapped perpetuate discriminatory attitudes within society and the public service.

A staffing officer with the Public Service Commission in Toronto told the authors that, "the recruiting theme in the departments appears to be that they are just not willing to consider handicapped people for professional or semi-professional positions."

If the government were an equal-opportunity employer, approximately 4.5 per cent of all federal public servants would be individuals suffering from handicaps.

The authors speculate that many people still feel the handicapped are not good workers. Yet, the level of production, attendance records, turnover rates and the quality of work of physically handicapped workers have been rated the same as or better than those of "able-bodied" workers by 85 per cent of employers who responded to a Canadian Chamber of Commerce study in 1975. Handicapped workers' safety records are significantly better than average.

In order to eradicate myths and misunderstandings about the abilities of the handicapped, Andras announced that a vigorous information campaign will be

launched within the federal Public Service.

But, as the report indicates, the problems facing the handicapped worker are more than discrimination. A survey by the Department of Public Works of all Canada Manpower Centres across Canada, indicated that half were inaccessible to the handicapped. Most government buildings do not provide ramps, wide doors or bathrooms geared for those in a wheelchair. In order to rectify the situation, the Department of Public Works will co-ordinate studies to evaluate how all government buildings can be adapted for the handicapped by 1983.

Even when job vacancies are announced, the handicapped are ignored. The announcement may be published in a newspaper which effectively eliminates blind applicants; notices are posted in public buildings which are not accessible to the workers confined to wheelchairs. Deaf people cannot receive information over the telephone.

"The delay involved in hearing about a vacancy, arranging assistance to enquire further and arranging assistance to make an application may be considerable and the closing date may arrive before an application is completed," wrote Miller and Morton.

The government's push for equal employment opportunities for the

handicapped has already begun with a review of its staffing policies to ensure that the handicapped aren't discouraged before they even begin.

According to the report, many more handicapped people could be employed if they were provided with special aids. An opticon raises letters from regular print allowing the partially blind person to read without braille. But it costs about \$5,000. A visual print-out attachment allows the deaf to read the telephone, but costs range from \$700 to \$1,500. The person confined to a wheelchair might require a small adjustment to the level of his desk. Although some equipment is covered by provincial grants, most isn't; and the report recommends the government fund more working aids for the handicapped.

Treasury Board President Robert Andras has launched a major campaign to provide equal opportunity employment for the handicapped

Although there are few statistics on the number of employable handicapped in Canada, the authors suggest that there are approximately 460,000 people. A survey of known handicapped employees in the National Capital Region compiled by Health and Welfare nurses in 1974 reported that 500 of 60,000, or less than 0.8 per cent of federal employees, were handicapped. If the government were an equal-opportunity employer, approximately 4.5 per cent of all federal public servants would be individuals suffering

from handicaps.

In order to facilitate the affirmative action program, the government is establishing advisory groups to help departments devise and evaluate their progress. All departments must report to the Treasury Board.

Perhaps if government takes the lead, private business will follow. As the report notes: "Improving the handicapped person's employment opportunities is more than a humanitarian measure. Handicapped people are a valuable resource which is not being realized and, from a purely economic standpoint, efforts to integrate them into the work force are profitable in terms of getting them off the social assistance and unemployment insurance rolls and onto the tax lists." [9]



A landmark decision on union discipline

by John Clarke

Should a union in a democracy have the right to compel an employer to fire a worker expelled from that union as a disciplinary measure?

That is the most difficult question for a democracy like Canada's in which trade unionism is not only permitted by law but is also recognized as an integral part of the industrial society. On its face it undermines individual freedom, which is also prized in a democracy. And it's one that even the unions shy away from if they can.

Such decisions as have been made on the issue have not dealt with it as a matter of principle and they've left the general legal question in a very fuzzy light. But the British Columbia Labour Relations Board, in what is being regarded as a landmark decision, has ruled clearly in favour of the union's right to discipline recalcitrant members right up to and including dismissal from their jobs.

The decision has also clearly set out, for the first time, the extent and limitations of union security clauses in labour contracts and the obligations of management when those clauses are infringed.

The case in point concerned an employee of the B.C. Hydro and Power Authority who refused to join in a strike strategy worked out by the Office and Technical Employees Union during a dispute in 1976.

When negotiations broke down, the union called for a strike vote, after advising its members that it

would not favour a total strike for three reasons. It was afraid the B.C. government would send the workers back to their jobs with binding arbitration or that the government would bring in special legislation limiting picketing. The union was further afraid that a total strike would jeopardize the workers' right to strike in future because the government might legislate against strikes in Hydro as an essential operation.

The union plan was to indulge in partial strike action, including an overtime ban, work-to-job-description and rotating stoppages.

After receiving this information, the members voted 88 per cent for strike action. After the vote the OTEU worked out a rather sophisticated program for strike action.

The original plan was to organize the rotating strikes to cut services by 25 per cent, the result of which would be to cut productivity by 40 to 50 per cent. The negotiating committee would direct members when and where to stop work "at critical times."

But then the union discovered it might be able to achieve its objective "with a lesser financial commitment" from the members. It developed what it called a voluntary job action program under which its members would donate one day's pay every two weeks — that is, 10 per cent of their basic earnings — to a fund to pay workers going on selective strike 70 per cent of their normal pay.

The OTEU members therefore had the choice of going on a total

strike or opting for the other program. About 20 of the 3,500 members opted for a total strike. All but a small number of the others opted for the voluntary selective strike action program. That small number refused to participate in either and the man in the case before the B.C. Labour Relations Board was one of them.

The union fined the man \$25 a day for each day he refused to participate, or a total of \$975. In addition it ordered him suspended from union membership for 30 days. He didn't pay the fine and, in accordance with the union security clause in the contract with Hydro, it expelled the man from the union and asked the corporation to fire him. Hydro resisted the union's request and went to the board for clarification of its responsibility.

The union security clause in the contract requires all employees in its jurisdiction to be members of the union "as a condition of continued employment."

Hydro argued that the loss of the man's job was far too Draconian a result to flow from the union security clause. It claimed that if his dismissal was intended to be the result, the clause should have come right out and said so.

It further argued that union power based on fear of discipline is neither a credit to labour in general nor the OTEU in particular and that Canadians and Canadian workers deserve better.

The board rejected these points and confirmed that the clause really did give the OTEU the right

to ask for dismissal. It said: "In effect (Hydro's) counsel contends that the board should approve of the man's right to dissent, that it should not deprive the employer of a valued employee and that the union does not really need this form of sanction against its members.

"This board is perfectly aware that the situation we have encountered here does evoke strong emotions in other quarters as well. There have been highly-pitched, political controversies about the operation of a union security provision. But the place where these ultimate value judgments must be aired is in the legislature of the province.

"The system of free collective bargaining, long-enshrined in B.C. statute law, does permit the union and the employer to negotiate a union shop in their contract. If they have agreed to such a clause, then it is up to their arbitrator (or the labour board) to interpret and apply the clause as they wrote it, not to deprive the union of the benefit of the bargain it made by an artificial construction of the words the parties have used."

It was also argued before the board that the scheme of selective strike action and levy of 10 per cent of regular pay to what amounted to a strike fund was in contravention of the OTEU's international constitution. It was claimed that the scheme was really a disguised form of "special assessment" of the membership, designed to produce the strike fund with which the union could finance the pressure it wanted to put on the Hydro. And, according to the union's constitution, any such assessment has to be approved by a special vote of the local membership and then by the international president.

The labour relations board rejected that argument on the ground that

the union's action plan, including the 10 per cent levy, was voluntary rather than compulsory. A special vote was necessary only when an assessment was to be compulsory and, the board, said, there was no suggestion that the union attempted to pressure any of the members into paying the levy.

It said that, since the union had received a massive strike vote, it had the right to call out on strike those who didn't want to participate in the voluntary job action program. But the man involved did not go on strike, after having also refused to join the voluntary program.

The board went on: "In turn, that produced the charge that he was at work for the Hydro, drawing pay, when he should have been out on strike pursuant to the directive of the (union's) executive board. And it would be belaboring the obvious for this board to say that if there is one central example of the legitimate exercise of disciplinary power by a trade union, it is the case of a union member who continues working for the employer when the union has called a lawful strike...."

"The facts of this case raise in starkest fashion the dilemma of union discipline and union security. In accordance with a massive strike vote, the local executive embarked on a sophisticated program of limited strike action against the Hydro. This was a perfectly legal tactic designed to break the impasse in contract negotiations between the union and Hydro.

"But a tiny group of employees refused to participate in the final, key phase of that program. For that failure (the man) was charged and fined by the union in conformity with the provisions of the union constitution. He chose to totally ignore the union discipline.

"As a result, he was expelled from the union, again in perfect compliance with constitutional procedures. That expulsion in turn triggered the operation of the union security provision in the collective agreement with Hydro. In effect, Hydro has agreed to dismiss one of its employees if and when he no longer satisfies the condition of continued employment that he maintain his membership in the trade union.

"That is a standard form of union security in this province, one which is expressly permitted by the Labour Code. Thus, the legal result in these proceedings inevitably follows. The Hydro is required to discharge (the man) and the union is entitled to a board order directing Hydro to do that."

The board, however, did not issue the order to give the man a chance to submit to the other union disciplines "now that he realizes his legal position was misconceived."

The decision is likely to lead to renewed demands for right-to-work legislation in B.C. under which union membership would not be a required condition of employment. The B.C. government is resisting such pressure.

Whether the right-to-work lobby succeeds in B.C. or elsewhere in Canada is a matter for speculation. But in the meantime, the B.C. Labour Relations Board's decision in this case is the clearest enunciation so far of the rights of unions to discipline their members and as such, it greatly strengthens the hand of union leaders in dealing with splinter elements within their organizations. [9]

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Occupational health: the poor relation, Part 2*

by Joan C. Brown

The years 1975-1977 have brought many revelations about the deplorable state of occupational health in Canada. Perhaps the most frightening of these is the realization of just how little is known about the nature of the health hazards in the workplace and about the real incidence of occupational illness.

Labour Canada, in a 1976 report on the implementation of ILO conventions on occupational health and safety (*Where Canada Stands*), pointed out that no jurisdiction, federal or provincial, has developed a list of carcinogenic (cancer causing) substances and agents, the use of which should be prohibited or controlled, and only three jurisdictions (federal, Quebec and British Columbia) had legislative provisions enabling them to prohibit the use of a harmful substance when a less harmful one is available. Steps are only now being taken to remedy these deficiencies.

Dr. E. Somers of Health and Welfare Canada's Environmental Health Directorate, speaking to a 1976 conference, said that there were now an estimated half a million chemical products in use in industry and some 3,000 new ones added to the production list each year (*Canadian Journal of Public Health*, September/October 1976). Toxic assessments are available for only a fraction of this huge number. The U.S. occupa-

tional health authorities have examined 13,000 and developed occupational health standards for about 400. Although many of these products alone or in combination with others may be highly dangerous, programs to examine them before they come into use have not been developed.

...it has become clear that the incidence of occupational illness shown in workers' compensation records does not give a true picture of the number of health hazards in the workplace

As occupational health services have been extended, it has become clear that the incidence of occupational illness shown in workers' compensation records does not give a true picture of the number of health hazards in the workplace. Labour Canada's annual report for 1975 commented that, "The problems investigated by the Hazard Evaluation Section during the year confirmed the findings in other jurisdictions that many health hazards are not being identified as work-related, and are therefore not recorded in first-aid records or compensation reports."

Further concern has been aroused by a U.S. National Institute of Occupational Health and Safety study of 958 workers in Washington and Oregon. This found an overall prevalence rate of occupational illness of 28.4 per 100 workers. The rate for those known to have been exposed to

poorly controlled hazards was 39.0 per 100. Similar studies of Canadian workers have not been undertaken, though many believe that Canadian figures would not be significantly lower.

A Health and Welfare Canada report in 1977 (*Occupational Health in Canada — Current Status*) was frank about the current lack of occupational health and safety data:

To date no Canadian national centre or system exists for measurement and collection of all data on workplace factors (hazard surveillance) of the labour force. No universal code has been established by which to measure these factors, effects and health status. National disease registries or data banks do not exist for most diseases or for injuries directly or potentially work-related or work-induced. Well-designed period surveys of work sites (safety and industrial hygiene) have not been conducted either nationally or provincially in recent times.*

The series of task forces and commissions of inquiry that have examined various aspects of occupational health and safety in Canada since 1971 have highlighted the seriously fragmented

*Among the main functions of the new Canadian Centre for Occupational Health and Safety will be the establishment of an integrated information system on all aspects of occupational health and safety, dissemination of authoritative information and the stimulation of research in this vital area. Ed.

*Part 1 appeared in the June number of *The Labour Gazette*

nature of both health and safety arrangements and stressed the need for drastic reorganization. There has been almost universal agreement that occupational health must be given higher priority. If this is to be achieved, where should the responsibility lie? The majority of occupational health divisions are attached to health departments. Should this continue to be so?

The Comité d'étude sur la salubrité de l'industrie de l'amiante (the Beaudry report) recommended the establishment of a Régie de la santé au travail which would co-ordinate and direct occupational health and safety programs. Beaudry took the view that the question of the healthiness (salubrité) of the workplace was primarily a health problem, so the Régie should be attached to the department responsible for health services, the Ministère des Affaires sociales. In this department occupational health is seen as part of public health, and this view apparently was accepted by Beaudry in spite of the evidence the report presented that within a public health setting occupational health had not been accorded adequate priority by Affaires sociales in the past. Beaudry saw signs of greater awareness of occupational health issues developing in the department, and thought this could be built on.

Health and Welfare Canada also appears to see a continued role for health departments. Former health minister Marc Lalonde, giving evidence before the House of Commons Standing Committee on Health, Welfare and Social Affairs (May 11, 1976) dismissed as unrealistic the idea of a single department responsible for all occupational health and safety arrangements either at the federal or provincial level (though in fact such a department had existed in Saskatchewan since 1972). Lalonde

"...occupational health is part of the greater totality of environmental health. Exposure to hazards does not stop at the factory door"

saw close co-ordination between the relevant departments as the line to pursue, and was proposing to develop a more active role for Health and Welfare Canada.

Dr. Somers, of the department's Environmental Health Directorate, speaking at the conference referred to earlier, also argued for a health role. He said:

"I should like to present the concept that occupational health is part of the greater totality of environmental health. Exposure to hazards does not stop at the factory door. Fluorine, vinyl chloride, nitrosamines, sulphur dioxide, asbestos, lead, and radioactivity are hazards to health if they escape from the workplace to contaminate our air, water, soil, or total environment. We cannot consider their toxicity and ultimate control only in terms of hazards within the industrial setting. In addition, because of the intense exposure suffered occupationally, knowledge of environmental effects is best developed from occupational health data."

At the same 1976 occupational health and safety conference, another speaker, J. Stopps, associate professor of community health at the University of Toronto, questioned the wisdom of entrusting environmental and occupational health to health departments. If it was to be done, then "ways must be found to insulate them from the voracious financial appetite of the medicare programs.... Preventive medicine has always had a tough time competing for the health care

dollar." However, it has not only been the sickness programs which have affected the priority rating of occupational health. Health and Welfare Canada's annual report for 1968 reported that in a service combining occupational health with air pollution, increasing demand for assistance to the provinces with air pollution problems had "seriously curtailed traditional industrial hygiene services of the division." The later shift of the occupational health division into the environmental health directorate does not appear to have led to an adequate priority rating for occupational health, at least until the federal and provincial health ministers singled out the subject for special attention.

"...an occupational safety and health program does not get the priority it deserves when it is located in a department with a broad spectrum of other programs to administer"

The Alberta Industrial Health and Safety Commission (the Gale report), unlike Beaudry, rejected the view that occupational health should be part of the public health services administered by the (then) Department of Health and Social Development. The Gale report noted that in the very wide spectrum of health care covered by the department, occupational health was a very small component and rated a low priority. The report went on to say "it is our opinion that a comprehensive, well co-ordinated program of total occupational safety and health cannot be offered to the worker and worksite so long as occupational health services continue to occupy a position of relative unimportance in the Department of Health and Social Development."

The Ontario Royal Commission on the Health and Safety of Workers



"SORRY, RHODES, BUT IF I LET YOU GO HOME I'D HAVE TO DO THE SAME IF ANY EMPLOYEE HAD A HEART ATTACK."

in Mines (the Ham report) took a similar stance. It recommended against a continuance of an occupational health function in the Ministry of Health where it received low priority, due in part to "the massive pre-occupation of the provincial health-care system with disease and diagnosis, as contrasted with preventive services."

Saskatchewan, in 1972, had also rejected the department of health as an appropriate base for occupational health. Robert Sass, associate deputy minister of labour and director of the Saskatchewan Occupational Health and Safety Division, told the Alberta Federation of Labour conference in 1977 that the government considered that occu-

pational health had more to do with the conditions and processes of work than with diagnosis of disease and trauma. Silicosis, he said, is not only a disease of the lung, it is also a problem associated with the technology of hard-rock mining. The tendency (of health professionals) to concentrate on the worker rather than the technology involved was detrimental to the preventive approach.

The various inquiries were not only seeking an appropriate administrative base for occupational health where it would receive sufficient priority. They also sought to rationalize the safety services by bringing them together under one administration. Having — in most cases — rejected the health

departments as a separate base for occupational health service, they went on to examine the suitability of various arrangements for both health and safety services.

As a first step the continuation of a separate role in mine safety for the department of mines or natural resources was discounted. Here the concern was a conflict of priorities, together with the mistrust which had developed between the workers and some of these departments. The Beaudry report commented on the conflict between the duty to promote economic and industrial growth and the duty to protect worker safety and health, and considered the two responsibilities should not fall within the same jurisdiction. The Gale report perhaps expressed the same idea implicitly when it noted that mine and quarry safety services "constitute a relatively small part of the total activities of the Coal Division, which we understand are basically directed toward physical resource conservation."

The Ham report, discussing the safety role of the Mines Engineering Branch of the Ministry of Natural Resources, said:

When that Ministry has the role both of promoting the development of the industry and protecting the health and safety of workers, failure to act is invariably seen as accommodation of interests. In the Commission's view there has been on more than one occasion unjustified complacency at the policy making level both in government and in the industry.

Workers' compensation boards were rejected on different grounds. The compensation and rehabilitation function of these boards was considered to be such a huge task in itself that it left little room for the development of a substantial preventive role. Further, while the boards had

given part of their attention to accident prevention, occupational health had been neglected by most of them. Instead they had tended to focus their attention on the compensation issues which occupational illness raised. None of the reports discussed the British Columbia board's program, which did include preventive activities in the occupational health field. Presumably they did not think this model was appropriate in the provincial setting they were considering.

"Preventive medicine has always had a tough time competing for the health care dollar"

The Gale report made a strong bid for a separate department of occupational health and safety. It endorsed many of the views expressed in the British report *Safety and Health at Work* (the Robens report) which had argued the necessity of separating the occupational health and safety function from all competing priorities. The Gale report stressed that not only should occupational health and safety have a clearly recognizable and separate identity but that it needed "the singular and particular attention of all the parties concerned." It considered that "an occupational safety and health program does not get the priority it deserves when it is located in a department with a broad spectrum of other programs to administer."

The Alberta government instead adopted Gale's second choice, the consolidation of all health and safety functions in the Department of Labour, the solution already adopted in Saskatchewan and later recommended by Ham for Ontario. Neither Gale nor Ham attempted much justification of this choice

...substantial changes that have taken place...across Canada should not be allowed to create the illusion that all is now well with occupational health

of labour as the appropriate department, though Ham did point out that it was useful that the Workmen's Compensation Board in Ontario was responsible to the same department. The Alberta government suggested that the choice of labour offered an added advantage of close departmental links with the Board of Industrial Relations and the Human Rights Commission.

Saskatchewan, which provided the lead in consolidating health and safety functions in the Department of Labour in 1972, chose that department according to associate deputy minister Robert Sass because it wanted the main thrust of the occupational health and safety program to be work, rather than the physiology or psychology of the worker. The Department of Labour (he wrote in an article in *Canadian Labour*, December 1975) "which is concerned with work and identified with the needs of working people was the logical location for this new kind of occupational health program."

This logic has now been accepted not only in Saskatchewan and Alberta, but also in Ontario and Manitoba, all of which have centralized occupational health and safety functions in the labour department. Newfoundland is moving in the same direction.

The very substantial changes that have taken place in occupational health and safety arrangements across Canada should not be allowed to create the illusion that all is now well with occupational health. Little change appears to be

taking place in Prince Edward Island, the Northwest Territories or the Yukon. In spite of recent legislation New Brunswick still has not given occupational health real priority. In Quebec and Nova Scotia, occupational health programs remain in health departments which have not in the past given them notable priority.

At the federal level the situation is unclear. Labour Canada is moving more strongly into occupational health within its occupational health and safety division, which is responsible for the administration of the Canada Labour Code, and in the new Occupational Health and Safety Centre which is to promote the concept of a safe and healthy work environment (according to labour minister John Munro). At Health and Welfare Canada a federal-provincial working group on occupational health established by the federal and provincial ministers of health has been busy developing a "model" proposal for occupational health legislation, and a basic framework for education and training needs. It is preparing a list of notifiable occupational diseases, developing criteria for occupational respiratory diseases, and a basis for information exchange on early hazard warnings, diagnostic criteria, laboratory methods and research projects. (Dr. E. Somers in *Canadian Journal of Public Health* September/October 1976.) Presumably this group will continue to function in spite of the fact that a number of the provincial ministers of health who established it are no longer responsible for occupational health.

In a third development federally, the Science Council of Canada has proposed a National Advisory Council on Occupational and Environmental Health with a mandate to assess occupational and environmental risks and recommend standards of maxi-

mum permissible exposure levels (*Policies and Poisons*). The Science Council was lukewarm about Labour Canada's Occupational Health and Safety Centre and its recommendations relating to Health and Welfare Canada (as far as risk assessment and standard setting was concerned) suggest a rather marginal role for that department. It will be noted from the name of the proposed advisory council that occupational health is once more linked with environmental matters.

...the close association of all health and safety functions in one department enables maximum use to be made of the varied skills formerly spread over several departments and agencies

All of this, while giving evidence of a much greater interest on the part of the federal authorities in occupational health issues, does not suggest there has been the clarification of responsibilities which all the provincial-level inquiries have sought.

How will occupational health fare in the labour departments? On the negative side it has to be remembered that these departments, where they were the regulatory authority, had not been outstanding in the priority they gave to occupational health. The program still has to compete for staff and funds, this time with public and worker safety services. Where a strong occupational health division (such as Alberta's) has moved from health to labour, it will no doubt make its mark, but what will be the situation where occupational health has been under-developed?

On the positive side, the close association of all health and safety

The revelations of the various commissions of inquiry about the state of occupational health in Canada have created a momentum for change that is being sustained by media reporting, by political and union action...

functions in one department enables maximum use to be made of the varied skills formerly spread over several departments and agencies, and removes what Ham called the false dichotomy between health and safety. Problems do not now have to be referred from one department to another (with all the complications that involves) but can be the subject of shared expertise within a single unit, either through in-house discussion or (as happens in Saskatchewan) through joint inspections.

Within the labour departments, whose consolidated services have usually been the subject of legislation to define their powers, the occupational health programs now have a more satisfactory legal base and are in a better position to develop regulations and other means of enforcement where this

is necessary to control certain hazards.

An additional positive factor is likely to be the development of joint employer/employee health and safety committees in several provinces. The legislation providing for these is too recent everywhere but in Saskatchewan for any judgment to be made on their effectiveness, but in Saskatchewan, where they are mandatory, they are being given the tools to monitor the workplace for health hazards and the strong backing of the Occupational Health and Safety Division of the Department of Labour to control these hazards.

There is a further intangible but nevertheless important factor favoring better occupational health programs. The revelations of the various commissions of inquiry about the state of occupational health in Canada have created a momentum for change which is being sustained by media reporting, by political and union action, and by a steady flow of reports which have revealed yet more problems to be tackled. As long as this momentum is maintained, then failure to give adequate priority to occupational health programs, and in particular programs to prevent new onslaughts on the health of workers, will attract severe public criticism of the governments and departments involved. In light of the disastrous results of apathy and ignorance in the past, this can only be regarded as a healthy and health-giving development. [g]



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Labour legislation in Canada, 1977

Part 2: Human rights

by Cal McKerral

During 1977 six jurisdictions passed human rights legislation, the most significant of which was the **Canadian Human Rights Act**.

The Act comprises a preamble, five parts and an appendix. The preamble sets out the purpose of the act; i.e., to ensure that every person should have equal opportunity with others to make a life without being hindered by discriminatory practices, and to protect the privacy of individuals and their rights of access to records containing personal information concerning them.

Part one outlines prohibited forms of discrimination. For the purposes of the Act, race, national or ethnic origin, colour, religion, age, sex, marital status, conviction for which a pardon has been granted, and, in matters related to employment, physical handicap, are prohibited grounds of discrimination. The practices in which the above grounds of discrimination are prohibited are as follows:

- to deny or to adversely differentiate in relation to any individual in the provision of goods, services, facilities or accommodation customarily available to the general public;
- to deny or to adversely differentiate in relation to any individual in the provision of commercial premises or residential accommodation;
- to refuse to employ or continue to employ an individual or, in the

course of employment, to differentiate adversely in relation to an employee;

- to use or circulate any form of application for employment, or in connection with employment or prospective employment to publish any advertisement or to make any written or oral inquiry that expresses or implies any limitation, specification or preference;

- to exclude an individual from full membership or to expel or suspend a member of an employee organization, or to limit, segregate, classify, etc. so that an employee would be deprived, limited in employment opportunities or otherwise adversely affected;

- (It is, however, not a discriminatory practice to exclude, suspend or expel an individual from membership in an employee organization when he or she has reached normal retirement age for individuals working in positions similar to the position of that individual.)

- for an employer or employee organization to have policies, practices, programs or to enter an agreement affecting recruitment, referral, hiring, promotion, training, apprenticeship, transfer or any other matter relating to employment or prospective employment that deprives or tends to deprive an individual or class of individuals of any employment opportunities;

- to establish or maintain differences in wages between male and female employees employed in the same establishment who are performing work of equal value;

- to publish or display before the public or to cause to be published or displayed before the public any notice, sign, symbol, emblem or other representation that expresses or implies discrimination or an intention to discriminate, or incites or is calculated to incite others to discriminate in the proscribed practices as outlined above.

Part Two of the Act establishes the **Canadian Human Rights Commission**, consisting of a Chief Commissioner, a Deputy Commissioner and between three and six other members, to be appointed by the Governor in Council.

The Chief and Deputy are full-time members of the Commission and the others may be full-time or part-time members. Full-time members may be appointed for a term not exceeding seven years and part-time members for a term not exceeding three years. Reappointment is also provided for.

Besides its duty with respect to complaints regarding discriminatory practices and administration of parts one, two and three of the Act, the Commission must foster public awareness of the Act, sponsor programs to promote the principles described in the preamble, maintain close liaison

with relevant provincial bodies and authorities, carry out studies, review statutory instruments, promote improvement in access to goods, services, and facilities and accommodation for handicapped persons, etc.

Succeeding sections outline such matters as assignment of duties, interdelegation of duties between the federal and provincial bodies and authorities, duties, powers, etc. of officers and staff, rules of disclosure, and other administrative matters.

Part Three deals with discriminatory practices and general provisions.

Any individual or group can, on reasonable grounds, file a complaint of alleged violations of the Act with the Commission. The Commission may refuse to deal with a third party complaint unless the alleged victim consents.

The Commission itself may also initiate complaints. It may also deal with multiple complaints together, whether they are jointly or separately filed, where it judges them to be substantially the same in fact or in law, and may appoint a single Human Rights Tribunal to deal with such complaints. The Act specifies that other appropriate avenues of redress should be sought before the Commission will deal with a complaint.

The Commission may designate an investigator to deal with a complaint. The investigator is authorized to investigate a complaint in accordance with regulations made under the Act. In general, however, the investigator may enter any premises other than a private dwelling place and carry out such inquiries as are reasonably necessary for the investigation of the complaint. Such entry must be made at a reasonable time and

would be subject to rules in the interest of national security. Any individual found in the premises entered into may be required to produce relevant books, records, etc. for inspection or copy.

The investigator must, as soon as possible, submit a report of the findings of the investigation to the Commission. The Commission may adopt or reject the report.

The Commission may appoint a conciliator in order to bring about a settlement of the complaint.

A person is not eligible to act as a conciliator if that person has already acted as an investigator in respect of the same complaint.

Provision is made for a Human Rights Tribunal to conduct an inquiry into a complaint.

At any stage after the filing of a complaint and a hearing of a Tribunal, any settlement reached may be submitted to the Commission for approval or rejection.

A Human Rights Tribunal may consist of not more than three members, who are to be picked from a panel of prospective members.

No member, officer or employee of the Commission and no one who has acted as investigator in a complaint for which a Tribunal is appointed is eligible to be appointed to the Tribunal.

The Tribunal shall, after giving due notice to the Commission and all interested parties, hear evidence relevant to the complaint.

The Tribunal has the power to summon and enforce the attendance of witnesses and compel them to give evidence. It can also administer oaths and accept other

evidence through affidavit or otherwise, as it sees fit.

A conciliator appointed to settle a complaint is not a competent or compellable witness at a Tribunal hearing into that complaint. Hearings must be public, except that a Tribunal may exclude members of the public during the whole or part of a hearing if it considers such exclusion to be in the public interest. The Tribunal can dismiss a complaint if it has not been substantiated, or it can, where the complaint has been substantiated, make an order against the offender.

Orders can include ceasing a discriminatory practice, measures to prevent future discrimination making available appropriate rights, opportunities or privileges, compensation for lost wages and expenses, as well as for additional costs of alternative goods, services, facilities or accommodation that the victim incurred as a result of the discriminatory practice.

Also, special compensation of up to five thousand dollars can be awarded for the victim's having suffered in respect to feelings or self-respect.

Separate orders can also be made where a discrimination based on physical handicap impeded access to premises or facilities.

Telephone hate messages are prohibited by the Act. In a case where such a practice is substantiated, the Tribunal may order the practices cease and order the adoption of special measures or programs to prevent future instances of the practice.

Where a Tribunal consisted of fewer than three members, appeal from the Tribunal's decision can be made to a Review Tribunal by



**"Stop complaining — part of equal rights
is figuring out how to pay the bills."**

the complainant, the person against whom the complaint was made, or the Commission within thirty days after the Tribunal's decision or order was pronounced.

A Review Tribunal must consist of three members, to be selected from the panel of candidates. None of the members of the Review Tribunal can be one of the members of the original Tribunal. Appeal to the Review Tribunal lies from a Tribunal decision or order on any question of law or fact or mixed law and fact.

The Review Tribunal may either dismiss the appeal or allow it, rendering an appropriate order.

Any order of a Tribunal or Review Tribunal may be made on order of the Federal Court of Canada and is enforceable in the same manner as an order of that Court.

The Act protects any complainant

or participant in the initiation of a complaint or prosecution from intimidation or discrimination.

Fines of up to fifty thousand dollars for an employer, employer association or employee association and up to five thousand dollars in any other case are provided for contravention of provisions of the Act.

Prosecutions may be brought against an employer or employee association with the consent of the Attorney General of Canada. No superannuation or pension fund or plan established by an Act of Parliament is affected by Parts One and Two of the Act before an allowing section comes into force.

The Act applies to members of the Canadian Forces and the Royal Canadian Mounted Police.

Part Four of the Act deals with protection of personal information.

The provisions apply to all federal information banks (i.e. collections or grouping of personal information recorded in any form, that is within the control of a government institution and that has been collected from an individual or individuals or a corporation or institution).

Individuals are entitled to ascertain the uses to which information in government information banks is being put. Records may be examined by individuals and corrections and notations may be requested.

Consultation and consent are provided for where information is to be put to a non-derivative use (i.e. a use not originally intended).

Exemption from access to information is possible in particular cases where in the opinion of the appropriate Minister and with the approval of the Governor in Council an order should be given because of matters involving international relations, national defence or security, federal-provincial relations, an investigative body, crime detection or suppression, or investigations of offences against any Act of Parliament. Exemptions from access to certain types of information by an appropriate Minister are also provided for. These include the above, plus other matters related to the administration of justice.

An appropriate Minister in control of a federal information bank may order that certain records not be made available for inspection, amendment, notation, etc. But where the order has been in effect for two years, such records affected by the order must not be used for administrative purposes.

A designated Minister shall co-ordinate federal information banks to ensure compliance with Part Four and any regulations made

under it. This duty includes elimination of unnecessary information banks.

A member of the Human Rights Commission is to be designated as Privacy Commissioner.

The Privacy Commissioner must receive and investigate complaints from persons who allege that they are not being afforded their rights under Part Four.

These investigations must be conducted in private. Any person or government institution which may be adversely affected by the Privacy Commissioner's findings must, however, be given an opportunity to answer.

The Privacy Commissioner has, for the purpose of investigating complaints, the powers of a Human Rights Tribunal.

Where a complaint is substantiated, the Privacy Commissioner must report to the appropriate Minister his findings and recommendations, and may request a report of plans to rectify the situation, or reasons why a situation has not been rectified.

The Privacy Commissioner must also report to the complainant. An annual report by the Privacy Commissioner must be made to Parliament. Studies must also be carried out by the Commissioner regarding the fulfillment of the provisions of Part Four.

Part Five of the Act contains general provisions. Among them are the declaration that the Act is binding on Her Majesty in right of Canada, and that nothing in the Act affects any provision of the Indian Act or any provision made under or pursuant to the Indian Act.

The Act repeals Part One of the

Canada Labour Code, (Fair Employment Practices) and replaces section 38.1 (in Part Three of the Canada Labour Code) which contains equal pay provisions.

The Act also amends the Unemployment Insurance Act, 1971, to proscribe discrimination (including political affiliation), but makes allowance for special programs designed to assist members of identifiable groups where disadvantages are or would be based on or related to race, national or ethnic origin, colour, religion, age, sex, marital status or physical handicap.

The appendix to the Act lists all government departments and institutions affected by Part Four of the Act.

British Columbia

On August 30, 1977, the Government of British Columbia passed Bill 63, The Ombudsman Act.

The Act establishes the office of Ombudsman for British Columbia.

Appointment is made by the Lieutenant-Governor on recommendation of the Legislature. This would follow upon unanimous recommendation by a special committee of the Legislative Assembly.

Appointment is for a term of six years, with the possibility of reappointment for further six-year terms.

Suspension or removal of the ombudsman from office can be effected by the Lieutenant-Governor on the recommendation of the legislative assembly.

Provision is made for the appointment of an acting ombudsman by the Lieutenant-Governor.

The ombudsman is empowered to investigate decisions or recommendations, acts done or omitted, or procedure used by governments (provincial and municipal) and agencies listed in the schedule attached to the Act.

Upon complaint or by his or her own initiative, the ombudsman has the power to investigate as (s)he saw appropriate, and to obtain pertinent information and conduct hearings.

No report which would adversely affect an authority or person can be made without the authority or person being given the opportunity to make representations.

The Act does not give the Ombudsman power to reverse or vary a decision of an authority, but only to recommend to the authority that it change its procedures to give more efficient or fair service to the public.

The ombudsman is obliged to report annually to the Legislature, and would be empowered to publicize his findings.

Manitoba

On June 17, 1977, Manitoba added "physical handicap" to the prohibited grounds for discrimination.

Advertising, provision of services, accommodation and facilities, purchase of property, contracts ordinarily made available to the public, and employment and employment-related areas are subject to the new provisions.

Quebec

Quebec passed Bill 88, an Act to Amend the Charter of Human Rights and Freedoms on December 15, 1977, to add "sexual

orientation" to the list of grounds upon which discrimination is prohibited.

Alberta

The Blind Person's Guide Dog Act was passed in Alberta. The Act prohibits discrimination against blind persons accompanied by a guide dog, in the provision of, or conditions of provision of accommodation, services or facilities available to the public.

Specifically prohibited also is discrimination in the provision of, or terms or condition of occupancy, of any self-contained dwelling unit by reason only that a person is blind and customarily accompanied by a guide dog.

Provision is made for voluntary use of a special card to identify the person and his guide dog.

Fines of up to \$1,000 are provided for people who discriminate, and fines of up to \$100 are provided for people who purport to be a blind person for the purpose of claiming benefits of the Act.

Nova Scotia

In Nova Scotia the legislature passed several pieces of legislation pertaining to individuals' rights. One of these was an Act to Amend the Statute Law Respecting Women. Statutes affected by the Act include:

- The Civil Service Act — the right to appointment to the civil service and to write civil service exams without regard to race, religion, creed, colour, ethnic or national origin, sex, marital status, age or physical handicap;
- The Human Rights Act — prohibition of discrimination on the

grounds of marital status by employment agencies, employee's organizations, professional and business and trade associations and voluntary or public service organizations;

- prohibition of discrimination on the ground of marital status in employment, conditions of employment, and application forms and advertising for employment;
- Labour Standards Code — removal of the authority of the minimum wage board to determine minimum wages on the basis of sex of the employee;
- Consumer Protection Act — prohibition of a lender or seller from discriminating against a borrower or buyer solely because the borrower or buyer is a woman;
- Guardianship Act — the right of the courts to now appoint either the father or the mother to be the guardian of the estate of an infant;
- Education Act — redefinition of the term "parent" to eliminate the preferential position of the father over the mother;

- Police Act — deletion of the words "man" and "men" and substitution of the word "member" when referring to members of police forces.

Another bill which was passed was an Act to Amend Chapter 11 of the Acts of 1969, the Human Rights Act.

The requirement for a Minister to provide "terms of reference" to a board of inquiry is eliminated. Now, the Minister must provide a board with a true copy of a complaint.

A list of parties to a proceeding before a board of inquiry is now

provided in the Act (i.e. the Commission, the complainant, any person named in the complaint as having been dealt with contrary to the provisions of the Human Rights Act, any person named in the complaint and alleged to have contravened the Act, any other person specified by the board upon such notice as the board may determine and after the person has been given an opportunity to be heard against joinder as a party).

Detailed procedure to be followed by a board of inquiry is included in the amendments. A board of inquiry has the power to order any party who has contravened the Act to comply with it, rectify any injury, or pay compensation. Under the former provisions a board of inquiry reported recommendations to the Human Rights Commission which in turn made recommendations to the Minister.

Confidentiality of information is provided to the Commission or its Director or employees. These persons are not required to provide Commission records or evidence to any board of inquiry or any Court.

A right of appeal lies from a board of inquiry to the Appeal Division of the Supreme Court. This appeal is conducted on the basis of the record of proceedings before the board of inquiry.

The provision permitting the Minister to issue an order is repealed, since this is now done by a board of inquiry. Another statute passed in Nova Scotia was an Act Respecting Access by the Public to Information on File with the Government.

The bill details the types of information which will be accessible to the public. These include organization of government depart-

ments, administrative and staff manuals, general policy and applicability of policy, rules of procedure, final decisions of administrative tribunals, personal information contained in files pertaining to the person making the request for information, departmental annual reports and regulations and programs and policies of a department.

Certain types of information will not be accessible to the public. These include information which might reveal personal information concerning another person, result in financial gain or loss to a person or department, influence negotiations in progress leading to an agreement or contract, jeopardize the ability of a department to function on a competitive basis, be injurious to relations with another government, be likely to disclose information obtained or prepared during the conduct of an investigation concerning alleged violations of any enactment or the administration of justice, be detrimental to the proper custody, control or supervision of persons under sentence, disclose legal opinions or advice provided to a department by a law officer of the Crown, or privileged communications between barrister and client in a matter of departmental business, disclose opinions or recommendations by public servants in matters for decision by a Minister or the Executive Council, or disclose draft legislation or regulations, disclose information the confidentiality of which is protected by an enactment.

A person may request that personal information pertaining to him or her be corrected and amended, or that information contained in the file may not be used for certain purposes without the person's consent. Injunctive relief may be sought to amend or correct personal information on a file maintained by a department.

Provision is made for guarding the confidentiality of personal information held by the government, and for the availability of information about one's self.

Rules are set out for the making available of information requested by the public. Requests must be responded to within 15 days.

Denials of information may be appealed to the Minister.

There is a 15-day time limit for filing an appeal, and a 30-day limit for a Ministerial response.

A Ministerial confirmation of denial may be further appealed to the Assembly through a member making a motion in the House. The House would then deal with the motion according to its Rules and Forms of Procedure.

Bill 146, an Act to Establish an Advisory Council on the Status of Women, was passed.

The Act establishes an Advisory Council on the Status of Women.

No particular number of members is specified.

Terms of office are:

- (a) for the President and at least one-half of the members — not more than three years
- (b) for remainder — not more than two years.

Appointments to the council are to be made by the Governor in Council on the recommendation of the Minister responsible for the Act.

The Council will advise the Minister upon such matters relating to the status of women as are referred to it for consideration by

the Minister, and will bring to the attention of the Minister matters of interest and concern to women.

To achieve these ends, the Council may receive and hear petitions, undertake and recommend research, recommend and participate in programs, propose legislation, policies and practices, and publish reports, studies and recommendations. Provision is made for an Executive Director of the Council, to keep records, provide stenographic and other services, supervise research projects, etc.


The Council is obligated to make an annual report of its activities to the Minister.

An Act Respecting Certain Rights of Blind Persons was passed May 11, 1977.

The Act makes it an offence for anyone to discriminate against a blind person accompanied by a guide dog, in the provision of accommodation, services or facilities available to the public, or in the provision of occupancy in any self-contained dwelling unit.

The Act also prohibits the carrying of a cane or walking stick the major part of which is white, in any public place, public thoroughfare or public conveyance, by anyone other than a blind person.

It is an offence for anyone to purport to be a blind person for the purpose of obtaining or attempting to obtain the benefit of the Act.

The Act repeals the White Cane Act. 

Cal McKerral is a legislation analyst with Labour Canada.

Books

Structure and Functions of Rural Workers' Organizations

International Labour Office,
Geneva, 1978; 160 pp.

More than two thirds of the world's population live in rural areas. Their future, and much of the future of this planet depends on whether they can form trade-union-type organizations to rectify the centuries-long injustices they continue to suffer as well as to effectively contribute to economic development.

This book, the first of its kind, attempts to fill the huge gap between numerous international declarations on rural workers' rights and the cruel realities existing in most parts of the world. The theme is that without union-type organizations of, for and by rural workers, this gap can never be bridged, especially with most of the limited expenditures in the developing world going to urban areas and with influential landlords often blocking governmental efforts.

Since 1921, the ILO has adopted a number of Conventions spelling out the rights of rural workers to organization, association and collective bargaining. These were capped by the 1975 Rural Workers' Organizations Recommendations, which declared that all categories of rural workers "Shall have the right to establish and to join organizations of their own choosing...free from all inter-

ference, coercion or repression," and detailed the legislative, administrative and educational steps conducive to this. However, there is still a world of difference between agreeing that certain aims are desirable and actually achieving these aims.

The book provides valuable knowledge about conditions prevailing in various areas of the world and documents case studies of existing rural workers' organizations. In most cases initial help is needed from national urban workers' unions or from the three agriculture-oriented international trade secretariats: the International Federation of Plantation, Agricultural and Allied Workers; the Trade Unions International of Agricultural, Forestry and Plantation Workers; and the World Federation of Agricultural Workers.

A distinction is made between organizations of wage earners and of so-called self-employed peasants, who include tenants, sharecroppers and subsistence owners-occupiers. The former rely primarily on the traditional trade union methods of collective bargaining while the latter, since they have no single employer to deal with, resort more to pressure-group activities and seek active representation and participation in national affairs to push for agrarian reform.

In all cases, the organization must show that it is the "voice" and true representative of rural workers by having a large membership. Because of sheer numbers, annual dues equivalent to no more than

the price of a chicken can keep such organizations going and even enable them to provide special services to members. Roaming field representatives from the central or national federation serve as collectors, communicators, negotiators and recruiters, with every member encouraged to become an activist himself.

Many inspiring successes are recorded, but much more remains to be done and on a more comprehensive scale. In fact, the percentage of organized rural workers may be on the decline in most parts of the world even though their number grows.

The recorded history of rural workers abounds with rebellions and revolution sparked by conditions of extreme exploitation. Leaders of the first known trade union for farm workers, formed in Tolpuddle, England, in 1833, were treated like common criminals and became subsequently known as the "Tolpuddle Martyrs."

Ongoing Tolpuddle stories in many other countries have yet to be fully documented and recorded for posterity. The book is careful to avoid politics and mentions no country by name, but it warns that serious disturbances could result if current attitudes persist. Quite conceivably, this most original of silent majorities could become an easy target for subversive ideologies unless allowed, and actively helped, to mobilize for their own good and for the sake of national and international development.

Bill Megalli

Housing You Can Afford

by **Alexander F. Laidlaw**, Green Tree Publishing Company, Toronto, 1977.

In 1958, the Canadian Labour Congress and the Co-operative Union of Canada jointly established the National Labour-Cooperative Committee to encourage the co-operatives in urban Canada, since the co-operative movement was having a hard time putting down strong roots outside rural areas. One activity for which the committee must be given credit is generating a great deal of enthusiasm for co-operative housing. In 1958, the co-operative form of home ownership was almost unknown in Canada, but by 1976 there were 75 housing co-operatives (not including student co-ops) receiving financing under the National Housing Act.

In *Housing You Can Afford*, Alexander F. Laidlaw, who is probably the country's foremost authority on the subject, chronicles how that came about, and describes how by using the co-op method almost any willing group can overcome many of the obstacles to home ownership presented by the normal housing markets.

When Laidlaw discusses co-op housing, he doesn't mean the so-called "sweat equity" building co-operatives in which workers used to get together — and still do in some places — to build houses co-operatively, so that each member of the group could take over individual ownership of a house when the project was completed. Laidlaw writes about "continuing" housing co-ops — projects that are owned jointly by the people who live in them.

An important impetus to continuing co-ops was given by a 1973 amendment to the National

Housing Act that made them eligible, under certain circumstances, for 100 per cent financing at below-market interest rates.

"Co-operatives now have the legislative and financial base from which they could grow more rapidly than before," Laidlaw writes, for from this amendment flowed supporting regulations and a budget for loan commitments. In 1975 alone, Central Mortgage and Housing Corporation made commitments totalling \$44.4 million for assistance to co-op housing projects.

The continuing co-op way is truly radical for many Canadians. A member who joins a co-op does not buy a unit or purchase property, but rather a share of ownership in a housing project. The member stands to make absolutely no capital gain on his investment. All he does is protect himself from the vagaries of the housing, land and interest markets. Another radical difference is that a co-op project is usually planned by the members themselves rather than by some developer who intends to make a profit out of it. Most are multiple-unit projects, though they come in a wide variety of structures — from new high-rise apartment towers to rehabilitated older houses — and cater to a wide range of income levels. Thanks to the NHA financing provisions, occupancy is usually available for a low initial down payment and relatively low monthly rentals that increase only moderately over the years.

Jim MacDonald, executive director of the National Labour-Cooperative Committee and president of one of its spin-off organizations, the Co-operative Housing Foundation, says he hopes that one day this form of housing will account for 10 per cent of housing starts across Canada. He claims this objective is not as far fetched as it might appear, noting that

in Sweden the country's two major co-op housing foundations account for one third of annual housing starts.

But, as Laidlaw points out, too many Canadians still cling to the belief that they should own an individual house on an individual lot and have the right to make a profit when they move out of it. That bit of conventional wisdom has become a mere fantasy for most Canadians, given the reality of the conventional housing market. Nevertheless, that fantasy may be the biggest barrier of all to the growth of co-op housing.

Laidlaw has spent a lifetime educating people about the co-operative way of solving economic problems. A 1940s veteran of St. Francis Xavier University's internationally-famed Antigonish movement of education through co-operative social action, he is a former general secretary of the Co-operative Union of Canada and a former member of the Board of directors of CMHC. In *Housing You Can Afford*, he presents the case for co-op housing in clear prose and with irrefutable logic. What a pity so few Canadians use the same logic in their decisions as consumers of housing!

Roy LaBerge

New periodical

The Ontario Ministry of Labour has launched a new quarterly periodical called *Workplace*, aimed not only at keeping senior executives, labour leaders and the professions informed of the activities of its occupational health and safety division but also at providing a forum for "informed discussion" of current topics in the field. The first issue, March, 1978, carries an informative one-page report on the hazards of PCBs (polychlorinated biphenyls) and how to control them.

Research Notes

Arbitration

"Public Employees in Massachusetts and final-offer arbitration," by David B. Lipsky and Thomas A. Barocci. *Monthly Labor Review*, April 1978.

Since July 1974, Massachusetts law has provided for final-offer arbitration by package for police and firefighter units.

Critics of the plan have contended that it favours the unions, stifles the bargaining process and results in inflationary wage settlements. The authors find little evidence, however, to support these views. An analysis of the final-offer awards showed that, in all but a few cases, the arbitrator selected the final-offer package that came closest to (or was identical to) the recommendations of the factfinder who had previously investigated and reported on the dispute.

●
"Final-Offer-Selection vs. Last-Offer-by-Issue Systems of Arbitration," by A.V. Subbarao. *Relations Industrielles*, Vol. 33, no. 1.

This paper analyzes theoretically and empirically the impact of the two "one or the other" systems of binding interest arbitration on the negotiation process and outcome. Final-offer-selection (FOS) is defined as a system in which an arbitrator selects one of the parties' package of final offers and last-offer-by-issue as a system in

which the arbitrator selects, on each separate issue, "one or the other" of the parties' last offers.

The results of the research indicate that the LOBI system may have a 'chilling' effect on negotiations, similar to conventional arbitration, whereby the parties withhold concessions on some or all issues in negotiations with the expectation that the arbitrator may issue a compromise award. The FOS system, by contrast, may generate 'free' negotiations, similar to those which would be conducted under the threat of a work stoppage. The latter approach, therefore, may be the real alternative to the strike.

Collective Bargaining

Collective Bargaining Information Sources. Central Analytical Services, Labour Canada, 1978.

This publication is intended to serve as a reference guide to sources of information on collective bargaining in Canada. The first section relates to compensation — wages, salaries, working conditions and fringe benefits. Other sections, shortly to be available, will cover economic data and forecasts, labour relations information and related library services. Updated and new entries will also be provided for all sections as necessary.

Controls

"The Compensation Decisions of

the Anti-Inflation Board," by Allan M. Maslove and Gene Swimmer. *Relations Industrielles*, Vol. 33, no. 1.

An empirical analysis of AIB decisions suggests that a prime concern of the board during its first year of operation was to establish its legitimacy and acceptance as an instrument of the government's anti-inflation policy. An important part of this objective was the avoidance of disruptive situations that would damage the board's public credibility. Indications of this are the fact that the more the negotiated settlement exceeded the guideline, the greater the increase the board approved; and the fact that it appeared to be more generous in its treatment of militant groups. Also consistent with this interpretation are the findings that AIB rulings tended to be more generous earlier on in its life and that the more visible public sector contracts were more strictly controlled.

Discrimination

"Pay Discrimination against women in Canada," by Naresh C. Agarwal and Harish C. Jain. *International Review*, March-April 1978.

Although all jurisdictions in Canada have enacted equal pay laws prohibiting pay discrimination based on sex, male-female pay differentials have tended to remain generally stable, or even to increase in some cases.

Reasons which may explain the ineffectiveness of the legislation, the authors suggest, are the fact that its application is restricted to cases in which the same or similar work is performed by men and women within the same establishment; the types of exceptions allowed; and lax enforcement procedures. Based on these hypotheses, the authors make a number of recommendations aimed at strengthening the legislation.

Employee benefits

Pour une meilleure qualité de vie...les avantages sociaux. School of Industrial Relations, University of Montreal, 1978.

Fringe benefits was the theme of the University of Montreal's eighth annual industrial relations conference, held in November 1977. The

published proceedings include papers on fringe benefit plans; the relationship between public and private pension schemes; and new types of fringe benefits.

Health and safety

Health and Safety in the Canadian Mining Industry, by G.W. Gibbs and P. Pintus. Centre for Resource Studies, Queen's University, May 1978.

This study examines the problems and implications of industrial accidents and occupational diseases among Canada's 95,000 mine and mill workers. The study reviews the exposures and diseases which occur in Canadian mining, including dusts and dust-related diseases and environmental factors such as radiation, noise, vibration and illumination. Existing information and reporting

practices are examined and recommendations for a comprehensive system to improve the understanding and control of mineral-related occupational diseases are made.

Industrial democracy

Industrial Democracy in Western Europe, by John Crispo. McGraw-Hill Ryerson, 1978.

This study analyzes the growing influence of unions and workers at various levels in the overall socio-economic-political decision-making process in Western Europe. Specific aspects examined include the role of organized labour in national economic and social policy formulation; joint or tripartite administration of public programs; worker representation on company boards and works councils. The author also discusses at some length the implications and relevance of these developments for North America.

Pensions

La Sécurité financière des personnes âgées au Québec. Rapport de Cofirentes, 1978.

Reforms in both the public and private pension systems in Quebec are advocated by a study committee appointed by the Quebec government. Among the recommended changes are increases in the retirement benefits paid by the Quebec Pension Plan; an increase in employer and employee contributions to the plan; improved vesting and portability provisions for those covered by private plans; and some provision for cost-of-living adjustments in private plans.

Laurence A. Kelly



PRICES, EMPLOYMENT, AND EARNINGS

THE LABOUR MARKET — MAY 1978

Seasonally adjusted data — changes from April 1978

Employment growth accelerated in May to 0.3 per cent. A slightly faster growth in the labour force (0.4 per cent) was not enough to change the unemployment rate; so it remained at 8.6 per cent for the third consecutive month.

The rise in total employment was led by a strong growth in youth employment (0.7 per cent), while growth for both adult males (0.1 per cent) and adult females (0.1 per cent) was marginal. The adult male unemployment rate remained unchanged in May at 5.4 per cent as changes in their employment and labour force were marginal, while the rates for adult females (8.0 per cent) and youths (15.1 per cent) were both higher due to faster growth in labour force than employment.

On a regional basis, the changes in April were reversed. Following increases in April, employment declined in the Maritimes (- 0.1 per cent) and British Columbia (- 0.2 per cent) and was virtually unchanged in Ontario. In contrast, declines in April were followed by employment increases in Quebec (0.4 per cent) and the Prairies (1.0 per cent).

Regional unemployment rates were higher in Quebec (11.5 per cent), British Columbia (8.0 per cent) and Ontario (7.5 per cent),

and lower in the Atlantic provinces (13.0 per cent) and the Prairies (5.2 per cent). In Quebec the rate increased as employment grew slower than the labour force, while in British Columbia the increase was due to the decline in employment coupled with an increase in the labour force. A slight increase in the Ontario rate was due to the marginal increase in the labour force exceeding the marginal increase in employment. In contrast, the drop in the rate in the Maritimes was due to a slower fall in employment than labour force, while in the Prairies the rate declined as employment grew significantly and outpaced the growth in the labour force.

In the industries employment grew strongly in agriculture (3.5 per cent), manufacturing (1.5 per cent), finance, insurance and real estate (1.7 per cent) and public administration (1.1 per cent), while it declined significantly in other primary industries (- 1.2 per cent) and community business and personal services (- 1.0 per cent).

Unadjusted data

The actual level of employment (10,118,000) in May, 1978 was 296,000 (or 3.0 per cent) higher than in May 1977, and the labour force (11,051,000) was 406,000 (or 3.8 per cent) higher; as a result the level of unemployment rate was 8.4 per cent compared with 9.3 per cent in April and 7.7 per cent in May, 1977.

THE CONSUMER PRICE INDEX — MAY 1978

The Consumer Price Index increased 1.4 per cent to 173.6 (1971 = 100) in May from 171.2 in April. It was the largest monthly increase since July 1975. After a period of slight moderation (February to April) the annual rate of increase in the CPI accelerated in May to 9.0 per cent, the same as it was in January. The food index, with a relative importance of 27 per cent, contributed 70 per cent to the latest month-to-month increase.

The acceleration in the CPI was due mainly to a substantial increase in food prices — 3.3 per cent over the month and 16.9 per cent from May 1977. The comparable figures for non-food items, 0.6 per cent and 6.2 per cent, are very moderate in comparison.

Higher prices for beef (10.5 per cent over the month and 52.5 per cent since May 1977), fruits and vegetables (10.4 per cent and 29.3 per cent) were largely responsible for the increase in the food index. Increased prices for butter, some other dairy products, and chicken also contributed to this rise. The food at home index increased 3.9 per cent, the largest monthly increase of this component since June 1975. In contrast, food away from home increased 0.6 per cent.

Higher homeownership costs (0.6 per cent increase) along with increased prices for tobacco (3.0 per cent) and alcohol (0.9 per

cent) were the main contributors to the increase in the all-items excluding food index. Other notable factors included higher prices for some new automobiles, recreational equipment and household utensils and equipment.

On a seasonally adjusted basis, the all-items index advanced 1.2 per cent between April and May. The increase for food products was 2.6 per cent compared with 0.6 per cent for non-food items. The current annual rate of change, based on seasonally-adjusted movements in the latest three months, moved up sharply to 11.3 per cent from 8.3 per cent in April.

JOB VACANCIES

Preliminary estimates of the average number of jobs vacant on a daily basis during the three-month period ended April 30 show an increase of 2 per cent from the previous three-month period. Vacancies for full-time, part-time and casual jobs were 37,500. Compared with the three-month period a year ago, the number of vacancies decreased by 4,100 or 10 per cent.

Vacancies for full-time jobs showed a slight increase from the preceding period to 33,500. Longer-term vacancies (jobs unfilled for more than four weeks) remained unchanged at 12,000.

For every 1,000 existing jobs in the latest three-month period four were vacant, the same as in the preceding period and a decrease of one from the comparable period a year ago. The highest vacancy rates were observed in Alberta (8 per 1,000) and Saskatchewan (5 per 1,000). The lowest rate occurred in New Brunswick (3 per 1,000).

**EARNINGS AND INCOME
— MARCH 1978**

The first estimates of the average weekly earnings for the industrial composite increased 0.4 per cent, on a seasonally-adjusted basis, between February and March. All regions participated in the overall increase except the Atlantic which declined to a level (\$224.33) below that of September 1977.

In industries, forestry, construction and finance, insurance and real estate recorded declines while the other industry divisions increased. In manufacturing, the increase was 0.5 per cent, preceded by a very steep increase in February (2.5 per cent). Average weekly hours advanced in mining but decreased in manufacturing and in construction. Average hourly earnings increased in manufacturing and in construction but declined in mining.

On an unadjusted basis, average weekly earnings for the industrial composite advanced 6.6 per cent to \$260.90 in March from \$244.68 a

year ago. In real terms, this amounted to a decrease of 1.7 per cent. By industry the highest paid workers were in construction \$374.98 (annual increase of 4.7 per cent) followed by mining \$372.52 (8.3 per cent), forestry \$356.01 (9.5 per cent), transportation, communication and other utilities \$304.32 (6.5 per cent), manufacturing \$281.44 (7.6 per cent), finance, insurance and real estate \$241.13 (5.3 per cent), trade \$199.65 (7.5 per cent) and lastly service \$179.32 (6.6 per cent). Regionally, average weekly earnings were highest in British Columbia \$294.68 (6.3 per cent), followed by Ontario \$261.00 (6.8 per cent), the Prairies \$257.17 (6.5 per cent), Quebec \$256.02 (7.3 per cent) and the Maritimes \$227.00 (3.1 per cent).

Total labour income was estimated at \$10.4 billion, an increase of \$811 million or 8.5 per cent from March 1977. Seasonally adjusted wages and salaries increased by \$63 million (or 0.7 per cent) between February and March to \$9.8 billion.

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*.

1976: October.

1977: February, August, October November.

1978: April, May.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

labour statistics

LABOUR MARKET

	Seasonally Adjusted					Unadjusted		
	Mar. 1978	Apr. 1978	May 1978	% change ²		May 1977	May 1978	% Change ¹
				Apr.	May			
TOTAL	(numbers in thousands)							
Labour Force	10,922	10,931	10,972	0.1	0.4	10,645	11,051	3.8
Employment	9,984	9,996	10,023	0.1	0.3	9,822	10,118	3.0
Unemployment	938	935	949	- 0.3	1.5	824	933	13.2
Unemployment Rate (%)	8.6	8.6	8.6	—	—	7.7	8.4	—
Participation Rate (%)	62.4	62.3	62.5	—	—	61.9	62.9	—
Both Sexes: 15-24	64.1	63.5	64.1	—	—	64.2	65.0	—
Men:	77.9	77.8	77.9	—	—	78.5	78.6	—
— 25 and over	81.0	81.0	80.9	—	—	81.3	81.3	—
Women:	47.3	47.4	47.5	—	—	45.8	47.7	—
— 25 and over	43.6	43.8	43.9	—	—	41.8	44.0	—
EMPLOYMENT	9,984	9,996	10,023	0.1	0.3	9,822	10,118	3.0
Both Sexes: 15-24	2,485	2,472	2,489	- 0.5	0.7	2,494	2,533	1.6
Men:	6,191	6,174	6,196	- 0.3	0.4	6,173	6,267	1.5
— 25 and over	4,839	4,835	4,841	- 0.1	0.1	4,783	4,867	1.8
Women:	3,793	3,822	3,827	0.8	0.1	3,649	3,851	5.5
— 25 and over	2,660	2,689	2,693	1.1	0.1	2,545	2,717	6.8
Paid Workers	8,944	8,990	9,015	0.5	0.3	8,825	9,058	2.6
— Non-Agriculture	8,816	8,868	8,892	0.6	0.3	8,668	8,924	3.0
In Industries								
Agriculture	467	453	469	- 3.0	3.5	488	490	0.4
Manufacturing	1,951	1,970	1,999	1.0	1.5	1,915	1,992	4.0
Construction	628	622	625	- 1.0	0.5	667	644	- 3.4
Trade	1,748	1,773	1,778	1.4	0.3	1,684	1,774	5.3
Services	2,809	2,829	2,802	0.7	- 1.0	2,735	2,810	2.7
By Regions								
Atlantic	751	757	756	0.8	- 0.1	745	764	2.6
Quebec	2,543	2,538	2,547	- 0.2	0.4	2,505	2,552	1.9
Ontario	3,842	3,860	3,861	0.5	0.0	3,785	3,894	2.9
Prairies	1,744	1,740	1,758	- 0.2	1.0	1,702	1,783	4.8
British Columbia	1,103	1,108	1,106	0.5	- 0.2	1,085	1,123	3.5
UNEMPLOYMENT RATE (%)	8.6	8.6	8.6	—	—	7.7	8.4	—
Both Sexes: 15-24	15.1	14.8	15.1	—	—	13.9	14.8	—
Men:	7.7	7.9	7.9	—	—	7.1	7.7	—
— 25 and over	5.1	5.4	5.4	—	—	4.8	5.3	—
Women:	10.0	9.6	9.9	—	—	8.9	9.7	—
— 25 and over	8.1	7.8	8.0	—	—	6.5	7.5	—
By Regions								
Atlantic	13.0	13.2	13.0	—	—	12.4	13.3	—
Quebec	11.5	11.2	11.5	—	—	9.9	11.3	—
Ontario	7.4	7.4	7.5	—	—	6.8	7.3	—
Prairies	5.3	5.5	5.2	—	—	4.4	4.9	—
British Columbia	8.5	7.7	8.0	—	—	7.6	7.6	—
EMPLOYMENT RATIO	57.0	57.0	57.1	—	—	57.1	57.6	—
Both sexes: 15-24	54.4	54.1	54.4	—	—	55.3	55.4	—
Men:	71.9	71.6	71.8	—	—	73.0	72.6	—
— 25 and over	76.8	76.6	76.6	—	—	77.4	77.0	—
Women:	42.6	42.9	42.8	—	—	41.7	43.1	—
— 25 and over	40.0	40.4	40.4	—	—	39.1	40.7	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1978			% Change From Previous Year			Current Annual Rate of Change		
	Mar.	Apr.	May	Mar.	Apr.	May	Mar.	Apr.	May
All-Items (1971 = 100)	170.8	171.2	173.6	8.8	8.4	9.0	8.1	8.3	11.3
Food "	197.0	200.4	207.1	13.9	14.7	16.9	11.7	16.6	28.0
Total Ex-Food "	161.8	161.2	162.2	7.0	6.1	6.2	6.7	5.4	5.4

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Mar. 1977	Mar. 1978 ^P	% change ¹	Jan. 1978 ^P	Feb. 1978 ^P	Mar. 1978 ^P	% change ² Feb.	Mar.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite (\$ Current)	244.68	260.90	6.6	256.17	259.93	261.08	1.5	0.4
Real (\$ 1971)	154.96	152.39	- 1.7	151.60	152.03	152.20	0.3	0.1
By Regions:								
Atlantic	220.08	227.00	3.1	227.64	227.19	224.33	- 0.2	- 1.3
Quebec	238.53	256.02	7.3	254.65	255.97	256.79	0.5	0.3
Ontario	244.43	261.00	6.8	252.85	260.07	261.60	2.9	0.6
Prairies	241.58	257.17	6.5	254.59	255.35	256.66	0.3	0.5
British Columbia	277.24	294.68	6.3	291.97	293.54	297.72	0.5	1.4
Manufacturing:								
Average Weekly Earnings (\$)	261.52	281.44	7.6	272.74	279.64	280.12	2.5	0.5
Average Hourly Earnings (\$)	6.21	6.76	8.9	6.63	6.69	6.75	0.9	0.9
Average Weekly Hours	39.9	39.5	1.0	38.1	39.6	39.3	3.9	- 0.8
Total Labour Income (\$ Million)	9,555.0	10,366.2	8.5	10,383.9	10,507.0	10,575.4	1.2	0.7
Wages and Salaries - Total	8,853.9	9,581.7	8.2	9,598.0	9,711.7	9,775.1	1.2	0.7
— Manufacturing	2,003.9	2,184.0	9.0	2,149.2	2,201.9	2,214.5	2.5	0.6

JOB VACANCIES

	Unadjusted				Three months ending Apr.	Seasonally Adjusted			
	1977			1978		1977			1978
	II	III	IV	I		II	III	IV	I
	(numbers in thousands)								
All categories	49.7	52.7	35.6	37.9	37.5	47.8	42.9	40.5	44.7
Full-time jobs	43.2	45.5	30.9	34.3	33.5	41.5	37.4	35.3	39.7
Long-term vacancies	13.2	15.7	12.1	12.1	12.0	14.4	12.5	13.2	13.4

¹Per cent change from previous year.

²Per cent change from previous month.

^PPreliminary.

Source: Statistics Canada, *The Labour Force*, Cat. No. 71-001. Statistics Canada, *Employment, Earnings and Hours*. Cat. No. 72-002. Statistics Canada, *Quarterly, Report on Job Vacancies*, Cat. No. 71-002, Statistics Canada, *The Consumer Price Index*, 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, MARCH 1978

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1977	739	803	217,557	3,307,880	0.15
1977					
March	71	131	23,372	207,270	0.11
April	78	148	38,237	329,350	0.20
May	73	152	34,893	299,940	0.16
June	71	156	37,241	307,500	0.16
July	55	138	38,802	405,760	0.22
August	76	153	34,522	345,970	0.17
September	75	174	31,114	245,070	0.13
October	56	120	19,716	178,300	0.10
November	55	113	32,154	240,850	0.13
December	32	101	25,758	353,130	0.20
1978(1)					
January	48	96	24,395	365,720	0.21
February	64	138	29,705	278,200	0.16
March	66	148	37,590	406,510	0.22

(1) Preliminary

WORK STOPPAGES BY INDUSTRY, MARCH 1978 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		Duration in man-days	Cumulative duration in man-days (Jan. to March)
		Number	Workers involved		
Agriculture	0	0	0	0	0
Forestry	3	3	1,570	2,770	2,770
Fishing	0	0	0	0	0
Mines	6	8	9,348	98,810	106,900
Manufacturing	30	59	13,291	136,390	357,510
Construction	4	7	842	5,880	13,550
Transp. & Utilities	10	26	6,224	57,630	379,450
Trade	3	14	774	14,490	42,570
Finance	0	0	0	0	520
Service	4	19	2,055	36,080	86,130
Public Admin.	6	12	3,486	54,460	61,030
Various industries	0	0	0	0	0
TOTAL	66	148	37,590	406,510	1,050,430

WORK STOPPAGES BY JURISDICTION, MARCH, 1978 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		Duration in man-days	Cumulative duration in man-days (Jan. to March)
		Number	Workers involved		
Nfld.	2	3	2,976	42,170	48,550
P.E.I.	0	0	0	0	0
N.S.	2	2	760	3,330	5,460
N.B.	2	2	1,183	940	2,330
Quebec	20	61	11,949	153,610	348,210
Ontario	17	36	7,569	80,240	186,710
Manitoba	1	1	350	700	840
Saskatchewan	4	7	1,176	5,740	8,100
Alberta	2	5	2,352	49,400	54,640
B.C.	11	18	7,165	42,230	56,760
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	61	135	35,480	378,360	711,600
Federal Public Service(1)	2	2	209	190	360
Federal Industries(2)	3	11	1,901	27,960	338,470
Federal total	5	13	2,110	28,150	338,830
TOTAL	66	148	37,590	406,510	1,050,430

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union. (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working Conditions in Canadian Industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as: the role of women in the Canadian economy, organized labour and working women, equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1977. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1976 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication, available free on request. (Bilingual)).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesman's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workers' compensation. (Available free on request). (English or French).

Human Rights in Canada — 1977. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1976. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

The pension booklet. A bilingual guide providing basic information on employer-sponsored pension plans, how they operate and the protection provided by the federal and provincial governments (who share responsibility for regulating private pensions). Available free (Cat. No. L13-10/78) from Public Relations, Labour Canada, Ottawa, Ontario. K1A 0J2.

Collective Bargaining Information Centre. Information pamphlet, bilingual. Available free.

Collective Bargaining Information Sources (Section II). A reference guide to sources of information and data for collective bargaining. Section I, "Compensation", now available. Section II, "Economic Studies"; Section III, "Labour Relations"; and Section IV, "Library Services" — forthcoming. English or French, free.

Occupational safety and health

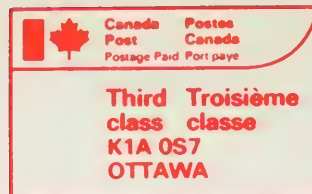
Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Occupational Noise Legislation. Contains the Canadian legislation protecting workers against the harmful effects of noise exposure in workplaces. Included is a table showing the maximum sound level permitted for different periods of exposure. (Available free on request). (Bilingual).

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library, Accident Prevention Division, 1976. Free.

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A SHORTER WORK WEEK

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**Labour
Canada**

**Travail
Canada**

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PRODUCTIVITY

Job security

The key to effective innovation for increased productivity may be job security — not only for workers but also for management personnel involved. This suggestion is made in the *Personnel Journal* by E. Bruce Peters, a visiting associate professor at George Washington University, Washington, D.C.

Commenting on the success of quality-of-working-life experiments at a General Foods pet food plant in Topeka, Kansas, where workers themselves carry out many tasks formerly done by management, Peters observes: "Cost is lower, quality and production higher than in conventional plants. As a result of this success, the plant will possibly be returned to a traditional factory system, because it was too threatening to too many people."

Yet, he said, if management people were given the same assurances of job security that union members are given in successful innovations, there would be greater likelihood of success. "We have simply failed to recognize the security needs of another set of employees who are in a position to reject innovation or ensure its failure" — management, particularly at the shop-floor level.

A model of co-operation

Employees at Hayes-Dana in St. Thomas, Ontario, have shown their parent company, the Toledo-based Dana Corporation that a nine-year experiment with the Scanlon plan has been worthwhile.

The Scanlon plan of labour-management co-operation comprises two elements: a bonus system based on labour productivity through which workers can share in any gains achieved and a management committee for upward and downward communication. At St. Thomas, the first Dana operation to use the Scanlon plan, the plant's base labour costs are calculated as a percentage of sales dollars, based on past history. Through a system of work-place and job improvements, labour costs are reduced, with all savings over the base labour cost subsequently split between workers and the company.

Manager Jim Harris says the turnover at Hayes-Dana is "virtually non-existent" and bonuses run in the range of 15 per cent above the worker's gross monthly salary. He adds that absenteeism runs at an insignificant 1.5 per cent. Orders are filled a month ahead of deadline, which increases Hayes-Dana's competitive position.

While some employee suggestions may increase productivity, they may also reduce staff. But, according to Harris, the plant has been able to maintain a stable work population that declines only through attrition.

Gains through re-organization

Changes in work organization and the wage system have helped produce productivity gains and improved worker satisfaction at AB Orrefors Glasbruk, a Swedish manufacturer of glassware. Faced with a gradual deterioration of profitability, the firm reorganized part of its production workers into semi-autonomous groups. It also replaced its piecework wage system with one based in part on a "productivity index." The index was based on the ratio of allotted time to complete a group of approved products to the actual time, with a bonus paid when productivity levels exceeded the index. The bonus was, of course in addition to a fixed wage.

The Swedish Employers' Confederation, in a publication entitled *The Orrefors Report*, says the case provides new confirmation of the close relationship between work organization and wage systems.

QUALITY OF WORKING LIFE

Meeting external pressures

More and more American managers will become involved in issues relating to the quality of working life, according to George H. Kuper, executive director of the National Center for Productivity and Quality of Working Life.

"Some will do so because they are

self-starters who see this as a way to raise performance to new heights," he writes in *Labor Law Journal*. "The majority will do it in order to meet external pressures."

One important external pressure is the high level of productivity developed in Europe since World War II in countries that accepted U.S. "financial aid and production know-how" but rejected U.S. economic management as a model. Instead, they accepted more worker-management co-operation, wage/price controls operated by more or less formal arrangements among employers, unions and governments, and programs to stimulate growth at the plant level, in which unions, particularly in Sweden, "push productivity improvement more energetically than does management."

Kuper agrees that employers' unions' and governments' interests in QWL are not identical, but he says they have much in common. "When representatives of the three sit down together they perceive shared interests they did not see before. When this discovery takes place in an atmosphere that allows something to be done about these shared interests, it becomes easier to discuss issues that are not as obviously of mutual interest. That has certainly been the experience of the centre's own board of directors and makes me desirous of continuing the institutionalization of this national level co-operation."

He says management and labour in the U.S. may have to "absorb the fact that better co-operation between management and workers will be vital to the success of the economic enterprise," and also that each management will be well advised to assess "how effective co-operation is right now" as a prelude to making it more effective. He also says the parties may

have to grasp that "economic stability, job security and productivity improvement reinforce one another." U.S. workers, he notes, "are pressing harder and harder for the level of job security that now prevails in Europe."

He also writes that any effort to improve co-operation must take into account the anxieties that "beset" both sides: "Leaders on both sides are fearful of losing control; followers of being exploited."

He also proposes labour-management committees as the institutional framework for improved QWL. He says they will operate more effectively if both parties see themselves as in the same boat — for example when foreign competition threatens profits and employment — when each party is prepared to cede some traditional rights, when the committee's work is "openly and vigorously" supported by labour and management leaders, when the committees are given the opportunity to accomplish something "visibly worthwhile," when they communicate fully and frequently with the people they represent on both sides. "Finally," he writes, "the most essential precondition is a guarantee from management that no workers — and, for that matter, no supervisor either — will lose job security because of anything the committee may do."

JOB SATISFACTION

Prestige important

Contrary to the popular belief that professional work is more interesting than any other kind, researcher Charles Weaver found that craftsmen are the happiest workers and that manual labour can be intrinsically satisfying.

In the *Journal of Personnel Psychology*, Weaver writes that most job satisfaction studies show that the typically greater job satisfaction of white-collar workers in comparison with blue-collar workers is independent of six control variables: work autonomy, authority, education, age, race and personal income. In Weaver's study of 1,484 American men with full-time jobs he held the six variables constant and also removed the effects of occupational prestige.

He found that when the effects of prestige are removed, professional-technical workers have the lowest job satisfaction and labourers have the highest job satisfaction. Weaver concludes that prestige contributes more to job satisfaction than does work autonomy, authority or income.

MOTIVATION

Incentive through ownership

Having managers and employees "own a piece of the company" is one reason for the outstanding growth of Magna International Inc., according to a report in *Canadian Business*. Frank Stronach, chairman of Magna, now controls a string of companies, most of them making auto parts, which generated \$81 million in sales last year and had a 50 per cent average growth in earnings during the past five years. Most of Magna's plants are small, employing fewer than 100 people.

The article quotes Stronach, who immigrated to Canada from Austria in 1954 and worked retrieving balls at a Montreal golf course and washing dishes in Kitchener in his first months here: "When I spotted a good guy within the company, there was always the danger that

he would leave for better pay or do his own thing. I started thinking that it would be better to be a partner with him than to lose him completely. So I gave guys like that a new company — some equipment and a building — and I'd say to him: 'You're a manager now. You own 20 per cent.' All the little divisions grew to a reasonable size that way, which makes sense. It's only through incentive that you motivate people."

Positive rewards

An article in *Business Week* says behaviour modification techniques in use in more than 100 major companies produce positive results, including higher productivity, increased job satisfaction and lower absenteeism and turnover. Pioneered in the U.S. by Edward J. Feeney about a decade ago, behaviour modification techniques are based on the theories of B.F. Skinner that behaviour can be changed by positive rewards such as praise or recognition. The article says one company alone — 3M — reported \$3.5 million in cost savings in 1977, as well as improved worker morale. Most other companies using the techniques report similar improvements.

THE WORKPLACE

"Poor bossing" widespread

A United States industrial psychologist says "people problems" are more widespread than "technological problems" in industry and he blames "poor bossing" for most of them. Too few managers have a "scientific understanding" of how to get along with employees, Alfred J. Marrow, president of the National Academy of Professional Psychologists, is quoted as saying

in *U.S. News and World Report*. Only about 5 per cent of employers are giving their managers courses on how to get along with employees and motivate them to do a better job, he adds. Marrow says too many managers "try to run their plants and stores and offices autocratically, with no real attempt at two-way communication. This causes psychological stress and greater inefficiency on the part of workers." He is also quoted as saying there would be fewer industrial relations problems if bosses would listen to workers more: "Nobody knows more about a particular job than the person who's doing it day in and day out."

Work values changing?

Two recent studies of the work ethic find differences between work attitudes of young and old employees, but little evidence to support the concept that a pervasive "generation gap" exists in the work world.

Ronald Taylor and Mark Thompson, two University of British Columbia professors, studied 1,058 men and women between 18 and 65 working in three organizations: a city government, a hospital and a machinery sales and repair centre. Participants completed the Work Value Systems Questionnaire in their work place.

In a report on their study, in the *Academy of Management Journal*, they conclude that young people have become less favourably inclined toward traditional work values; they value money as a reward but place more emphasis on self-expression in the workplace than do older workers. However, younger and older workers show the same degree of pride in their work.

This last finding contrasts with an

implication drawn by David Cherrington, who teaches organizational behaviour at Brigham Young University, from his survey of 3,053 workers in 53 companies throughout the United States. Cherrington, in a report in *Business Horizons*, says his findings suggest that younger workers do not believe hard work and pride in craftsmanship are as important as older workers believe them to be.

From responses to 191 questions regarding attitudes toward job, company, community and work in general, Cherrington also concludes that young workers show less adherence to the traditional "character" ethic and more to the "personality" ethic. He describes the character ethic as "developing one's character and doing good to one's fellow man" and the personality ethic as the belief that "success comes from a pleasing personality that can help us to get along with others in society."

Reducing stress

People who have been told to relax to reduce the stress of their work but who don't know how to go about it, may find the answer in a 12-week experiment with work breaks using a "relaxation response" technique at the Converse division of Electra Corporation in Wilmington, Mass. Two Harvard Medical School researchers, Dr. Herbert Benson, an associate professor and Dr. Ruanne K. Peters, a post-doctoral research fellow, found significant changes in blood pressure occurred in groups that participated in the relaxation response techniques during two daily 15-minute break periods, but no significant changes in a control group of employees who took the two work breaks but did not use the techniques.

The participating employees sat quietly in a comfortable position, kept their eyes closed, breathed slowly through their nostrils while saying quietly “in” and “out” with each breath, and maintained a “passive” attitude, permitting relaxation to occur at its own pace.

Benson and Peters say four elements are common to several techniques that can produce the “relaxation response,” which they define as “an innate physical relaxation characterized by decreases in metabolic rate, heart-beat and breathing rate.” The elements are a quiet environment, a comfortable position, a repetitive mental stimulus and a positive attitude. They advise, however, that the technique should not be practised within two hours after any meal “since the digestive processes seem to interfere with eliciting the relaxation response.”

Space and power

In government and industry there is a close relationship between office floor space and power in an organization, according to research by Douglas E. Durand of the University of Missouri. He studied the floor plans of a university, a chemical manufacturing firm and a government accounting unit, comparing the floor space of office holders with their place in the organizational tables. He found that senior executives typically have larger offices. However, the relationship was weaker in the university than in the government and industry organizations surveyed.

Co-operation through committees

Two experts at the U.S. National Center on Productivity and the Quality of Working Life say accep-

tance of joint plant and shop-floor committees is more widespread than at any time since the Second World War. William Batt Jr., the Center’s program manager and Edgar Weinberg, its assistant director, also argue, in the *Harvard Business Review*, that co-operation through such committees may be one of the most effective ways through which employers can tap the creativity and ingenuity of workers.

Whether the particular form of co-operation be plant production committees, Scanlon plan, quality of work life committees or some other similar meeting of minds, they note the significant and “distinctive” feature of the arrangement — “the agreement to extend the collective bargaining beyond its traditional limits, that is to deal jointly with issues of mutual interest without impairing either party’s bargaining strength.”

They studied 180 active committees and report several common features: “They provide workers with a regular, periodic opportunity to participate in decision making, especially on the shop floor, where their work is most directly affected. They help management at all levels to identify and solve problems facing the organization. They provide a learning experience for all concerned in the workings of the enterprise and the way in which each person relates to it.”

EMPLOYEE COMPENSATION

Absenteeism and sickness

A British survey has found that the introduction of improved sick pay benefits in several firms has been followed by increases of from 2 to

4 per cent in the time manual workers take off sick every year. Incomes Data Service, in its study, found a similar trend in four companies in the motor industry and in several chemical and food companies. The report found close to 100 times as much absenteeism is due to sickness as to strikes, and that most use of sick leave is for genuine reasons. “However, in most firms a hard core of from 2 to 5 per cent of employees abuse sick leave,” says a report on the survey in *The Economist*.

Unusual benefits

Imagination is almost unlimited in the development of fringe benefits, according to J.H. Foegen, a professor of business at Winona State University in Minnesota. He says “nap breaks” have been suggested (in a report to the annual convention of the American Psychological Association) to reduce tension, increase energy and produce friendlier workers. Writing in the *Labor Law Journal*, he also describes some unusual fringe benefits already in effect in the United States. The Chase Manhattan Bank provides employees with their own department store, selling merchandise on a “break even” basis. Xerox Corporation and Mead Corporation offer counselling on family or financial problems. A manufacturer of air compressors in Michigan City, Indiana, provides a 35-cents-a-gallon gasoline pump, free language lessons and instruction in television repairs, music appreciation, gourmet cooking and art. And a Pennsylvania local of the National Hospital Union has negotiated the first day of deer hunting season as a paid holiday. “When AFL founder Samuel Gompers said that unions wanted ‘more,’ he wasn’t kidding,” Foegen comments.

EDUCATION

Demand for labour courses grows

Since 1968, when Rutgers University launched the first degree program in labour studies, there has been a phenomenal growth of labour credit courses. Now 47 U.S. colleges and universities offer a major or concentration in labour studies.

According to an article in the U.S. *Monthly Labor Review*, the demand for these credit courses comes from unions and their members. They see higher education as an investment in skills which pay off in jobs, higher wages or personal growth. Education is also considered a consumer good that rivals cars, travel and homes in bringing enjoyment and conferring status.

Although course content varies between institutions, the article points out that in most cases the labour unions act as sponsors or advisors, there is a mix of labour and liberal arts subjects, students enroll without academic prerequisites and adult union members are the target students.

Author Lois Gray says there is some doubt the courses can survive, however. There is difficulty finding qualified faculty and administrators. The schools wonder if there is a place for their graduates, and about half the enrolled students cannot keep up with course requirements. Many labour educators resist the rapid spread of credit and degree links for labour education because they see credentialism as a distortion and even corruption of traditional labour values.

PAID EDUCATIONAL LEAVE

Belgium's experience

Belgium has had legislation providing for paid educational leave since 1973, but studies by both the government and the principal employers' organization, FEB, indicate that little interest has been shown in making use of the legislation despite an urgent need to increase the skills of many workers. "The situation is proving something of an embarrassment to the country's unions, whose proposals formed the basis of the 1973 law," says a report in the *European Industrial Relations Review*. The Act provides time off for attending courses to all full-time workers under age 40, except most public service employees. They may follow almost any course subsidized by the state in

the areas of vocational training, social legislation including health and safety at work, social, economic and civic life and "general culture, morals, the family and man in the community." The law provides that, in general, study leave periods should be worked out through industry-level collective agreements.

The government study found many employees did not take advantage of the legislation because of threats from the employer that they would be dismissed if they did. Others were discouraged by the experience of work mates who studied and then got no promotion or increase as a result. It was also found difficult for shift workers to attend courses.

Among changes in the provisions proposed by respondents to the FEB survey were limiting the number of workers participating,

restricting the program to vocational training courses, and scrapping paid study leave during work time in favour of a system under which workers would get bonuses at the end of the year if they successfully followed courses outside working hours. As expected, the reaction of Belgium's biggest union confederation, the CSC, is that it will oppose any moves by Belgian employers to restrict rights to study leave. It also maintains that the scope of eligible courses should be broadened, not restricted, because 70 per cent of Belgian workers have had only a primary school education.

HEALTH & SAFETY

Most workers at risk

A new government study in the U.S. has concluded that nine out of every ten American workers are exposed to chemical or physical hazards on the job. The finding was the result of a two-year investigation by the National Institute for Occupational Health and Safety.

Following a survey of 5,000 workers in 67 metropolitan areas, NIOSH investigators identified 8,000 chemical substances and physical agents as potential hazards.

The study, published as volume III of the National Occupational Hazard Survey, found that about two thirds of the businesses investigated provide personal safety devices for their employees. But, the NIOSH researchers noted, the equipment usually provides protection only against a particular kind of hazard and may still leave workers exposed to other substantial risks.

EMPLOYMENT

Rent-a-worker

Several Japanese employers have found a way to sustain their tradition of lifetime job security for their workers. They are lending employees to firms with temporary job shortages. The program was started by the second-rank auto firms caught understaffed by an export boom in 1977. They didn't want to hire full-time employees for whom they would have to provide job security. Instead, they borrowed workers from industries with temporary surpluses of employees.

Health workers' mobility

An analysis of United States census data supports the hypothesis that attachment to an occupation increases in direct proportion to the investment made in training and education to prepare for that occupation. The analysis of the 1970 Census Public Use Sample, which includes information on the mobility patterns and separation rates of workers who provide health care services, demonstrates that they transfer to other occupations less frequently than do other workers. About 15 per cent of all workers employed in health occupations in 1965 had changed their occupation by 1970, compared with a 30.2-per-cent rate for all employed workers.

Within the health field, the lowest transfer rates were for the highly educated health practitioners — dentists, 4.1 per cent; physicians, 5 per cent, and pharmacists, 8.5 per cent. The transfer rate for nurses, dietitians and therapists was 12.6 per cent, while that for the category requiring the least training, non-nursing health aides, was 29.9 per cent.

Mechanization hits farm workers

Cesar Chavez and the United Farm Workers, having resolved their jurisdictional dispute with the International Brotherhood of Teamsters, now face another problem, large-scale mechanization of farm work. Growers are introducing mechanical pickers even for crops such as wine grapes, lettuce and fresh-market tomatoes that had traditionally been harvested by hand. A research office of the California legislature estimates that 20,000 of the 112,000 harvest jobs in 10 major crops may disappear by 1982, according to a report in *Business Week*.

Corporate policies changing

A survey by the Bureau of National Affairs, a private publisher based in Washington, D.C., indicates that enforcement of equal-employment-opportunity laws and regulations by government is motivating companies to change policies and practices on promotions and transfers. The bureau surveyed 166 employers — 51 per cent of them manufacturers, 28 other private businesses and 21 per cent public-sector employees including schools, hospitals and government agencies. About 25 per cent of respondents have recently adopted job-posting procedures to publicize vacancies. And several firms had initiated formal procedures for notifying rejected applicants in writing. In half the firms, procedures have been established through which employees can protest the decision for officer or clerical and professional or technical jobs, and in three quarters of the firms such procedures exist regarding plant or service jobs.

Harris admits the unions and workers were skeptical at first; but now that workers can see their suggestions implemented, and the

bonuses on the pay-cheques, the plant provides a model of labour-management co-operation.

WOMEN

Career aspirations

A survey of the career aspirations of 519 Grade 11 girls from a random sample of Calgary high schools found, as expected, that sex-typing of occupations "operates to continue the current sex-role segregation that is pervasive in the work world." It also found, surprisingly, that the kind of work a mother does has little effect on a daughter's choice of occupation. Whether mother likes her work may be a more important variable.

Merlin B. Brinkerhoff, a sociologist at the University of Calgary, classified respondents into three categories — "pioneers" if they chose occupations where women make up less than 34 per cent of all employees (i.e., where women are under-represented in the Canadian labour force), "moderates" (occupations where from 34 to 67 per cent of employees are women), and "traditionalists" (occupations where more than 67 per cent of employees are women). He says a comparison of their "idealistic" and "real" aspirations indicates that "girls appear to 'know their place' in the work world." Their idealistic aspirations — wanting a particular occupation — were 35.5 per cent pioneer, 34.3 per cent moderate and 40.3 per cent traditional. But their realistic aspirations — occupations they thought they could possibly attain — showed a different distribution: 18.4 per cent pioneer, 16.2 per cent moderate, and 65.4 per cent traditionalist.

He says his analysis of the survey results also suggests it is not whether a mother works that influences a daughter to seek a pioneer occupation but the nature of the work experience: "A woman who works out of necessity and finds it drudgery may not influence her daughter's role innovativeness, even if the mother works in a pioneer occupation. On the other hand, a woman who is happily employed in a traditional occupation may positively influence her daughter toward a similar job." He also says there is evidence to suggest that women from higher educational and occupational levels "not only hold less sex-based stereotypes of the occupational world but also have more satisfactory work experiences." Consequently, their daughters "more often appear to be role innovators."

In his survey, Brinkerhoff sought to examine the effect of such "barriers" to women's entry into male-dominated occupations as socio-economic status, educational attainment goals, self reported grades in school, perceived intelligence and type of school program in which the girls were enrolled. Questionnaire results indicate "moderately strong" support for the hypothesis that girls with low grades, low perceived intelligence, who are

enrolled in a technical program in high school, do not plan to enter a pioneer occupation.

Brinkerhoff reports his survey results in the 1977 third-quarter issue of *Canadian Journal of Sociology* in a paper entitled "Women who want to work in a man's world: a study of the influences of structural factors on role innovativeness."

CN program

A program adopted by Canadian National Railways to encourage women to seek promotions has achieved some positive results. Heather Pratt, the co-ordinator of the program, says the percentage of women in management positions rose from 1.97 to 3.03 in 1976 — or from 169 persons to 242. In the same year, the percentage of women in the total company work force increased from 5.19 per cent to 5.85 per cent — 4,021 to 4,343. Under the program, two-day seminars are given at most major points in the CN system to help women with "confidence-building, assertiveness and career planning," Pratt reports in *Canadian Personnel and Industrial Relations Journal*. She also reports that a study has been launched into "rug ranking" by a committee of senior secretaries.

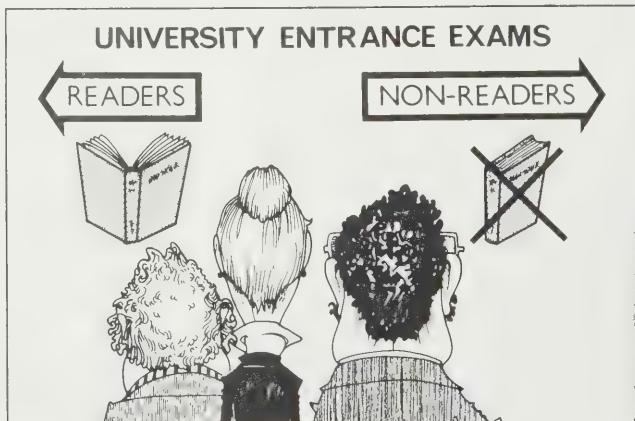
Need for new facilities

Almost all countries, both industrial and developing, have experienced a "serious strain" on child care facilities because of changing attitudes toward the employment of working women, the International Labour Office reports. Women's place in the labour market, away from an exclusively domestic role, has been more firmly established in recent years, the report adds, but there still remains a great deal of uncertainty in many countries about the respective roles of men and women in earning a salary and carrying out domestic chores.

The ILO's 1965 recommendations on the employment of women with family responsibilities sought to provide women with facilities to help them deal with immediate, day-to-day problems due to their dual tasks at work and in the home, and guidance and training to help girls and working mothers avoid labour discrimination on grounds of sex.

Some governments and employer and worker organizations have said the recommendation is outdated because it is "based on the belief that women have a greater responsibility toward their families and that special measures are there-

SCOOPS



fore needed to assist them," the ILO says.

The ILO has also found "wide divergence" on when the necessary protection for working women ends and when discrimination starts: "Many countries prohibit overtime or night work for women so that they will have more time available at home, whereas others have repealed existing prohibitions of this kind in order to remove a possible source of discrimination against women."

PERSONNEL MANAGEMENT

Supervisory style and morale

The 'human relations doctrine' of management is supported in an Indian study of supervisory styles and morale reported in the *Journal of Occupational Psychology*.

Psychologists D.M. Pestonjee and A.P. Singh studied 20 first-level supervisors and 200 rank-and-file workers in the Bhilai Steel plant in India. They developed a "Supervisors Orientation Scale" to determine employee-oriented and production-oriented styles of supervision. Morale was measured with

another specially-designed scale that included four sub-sections: fairness of employers' policies and behaviour, adequacy of immediate leadership, sense of participation and sense of worth of the organization.

They found employee-oriented supervisors were supportive, recognized the qualities of workers, allowed participation in decision making, showed a humanitarian attitude and demonstrated care and concern for the welfare of employees. These supervisors were found to lead workers with higher morale. On the other hand, supervisors who were production-oriented stressed efficiency, emphasized rules, regulations and regularity. Their employees showed a significantly lower morale than the employee-oriented lead group.

The authors suggest that supervisors should be trained in employee-oriented functions to enhance job satisfaction, industrial harmony and better production. But they point out the study's conclusions may be most relevant to developing countries where the lack of capital resources and sophisticated technological industrial bases makes it imperative that no man-hours be lost due to industrial strife and disharmony.

WORKING TIME

Upswing in flextime

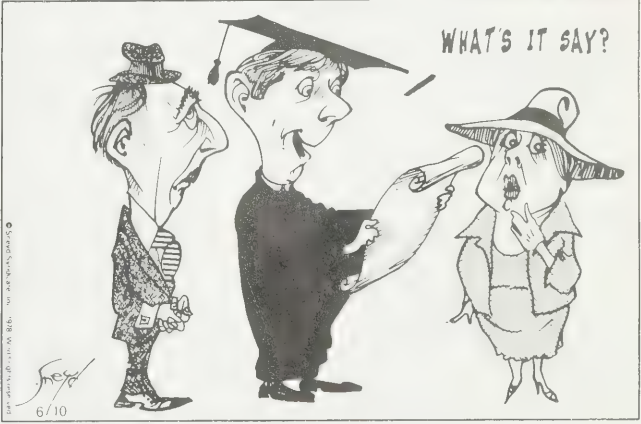
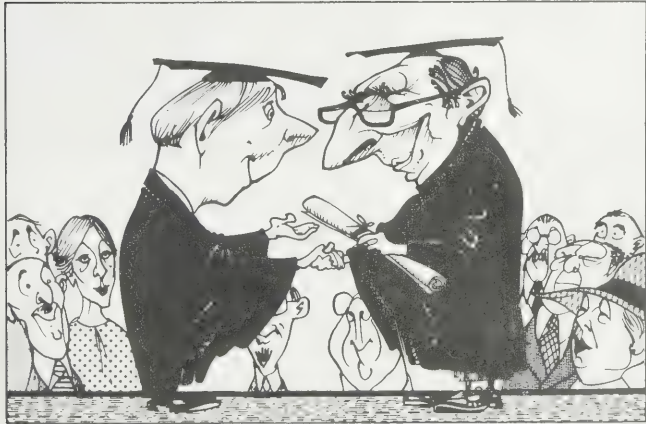
About 13 per cent of non-governmental businesses and organizations employing more than 50 people in the United States are now using flexible working hours, a Georgetown University study finds. The study, by Dr. Stanley D. Nollen of the university's school of business administration, concludes that flextime has more advantages than disadvantages, and that its use seems to be increasing.

INDUSTRIAL RELATIONS

Important precedent

The Ontario Labour Relations Board has ruled that a member of a company board of directors may be a member of a bargaining unit. However, the situation was not a typical one. The director concerned was a crane operator who was also a worker-director in S.D. Adams Welded Products Ltd., Sault Ste. Marie, Ont. The worker-director had helped organize about 24 of the firm's employees, and

by Doug Sneyd



the board had to consider whether this action could be equated with participation by an employer in the formation of the union, an action forbidden by the provincial labour code. The board certified the union (United Steelworkers) for 24 employees after finding that the employee-director had no managerial function. The ruling is seen as setting an important precedent by removing a potential barrier to union members participating on boards of directors.

Time off for unionists

Since April, all British employers that recognize unions are required to permit workers who hold union office paid time off work for union duties and industrial relations training. That is the effect of amendments to the Employment Protection Act and an accompanying code of practice. An estimated 200,000 union officials — most of them shop stewards or union representatives — are covered by the new provisions. An Industrial Relations Tribunal is empowered to hear complaints from workers and to award compensation where an employer has failed to permit time off in accordance with the act.

UNIONS

First physicians' union

The National Labor Relations Board has certified the first bargaining unit for physicians in the United States. Physicians employed by the Group Health Association Inc. of Washington, D.C. voted 53 to 16 in favour of representation by their union, the Group Health Physicians Association. The union is seeking a cost-of-living increase in its members' salaries, now in the \$50,000-\$55,000 range. They are

also seeking to negotiate "improvements in patient care" by reducing the number of patients seen by each doctor.

BUSINESS

Closing the sex gap?

A study by two women undergraduates at the University of Toronto's Faculty of Management Studies indicates that women with Master's degrees in Business Administration are closing the sex discrimination gap. Sybil Levine and Chrystine Magraken surveyed 97 women and 113 men MBA graduates from five Ontario universities — McMaster, Queen's, Toronto, Western and York. In a report on their survey, in the weekly *Financial Post*, they say the results indicate several trends:

- The number of women MBAs has increased dramatically. Before 1970, there were only 24 in Ontario. Since then there have been 366 graduates, 125 of them last year — or 16 per cent of the graduating class.
- Although male MBAs earn more at every level (the average difference is \$5,000) recent graduates have reduced this gap to \$2,000.
- There is less difference in undergraduate background: "Today's women MBA is likely to have a math or computer science background, and more men have social science degrees, vs. the old norm of engineering for men, social science or humanities for women."

Another difference is in marriage. "Two thirds of the men were married, and 70 per cent of these have children," the researchers reported. "However, only 40 per cent of the women were married, and, of these, a surprisingly low 20 per cent have children. This seems

to imply that many of the women still feel they must choose between a family and a career."

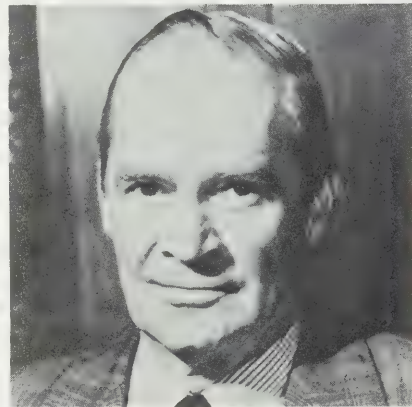
The researchers describe the women MBAs as "a vanguard that will advance to the upper echelons of business and who expect to be treated seriously. Hopeful about the future, they are more numerous, well trained, more mobile and determined to succeed."

ILO

New members

The Republic of Botswana and the Republic of Djibouti have become members of the International Labour Organization. The addition of the two African countries, announced May 9, raises the United Nations agency's membership to 136 states.

PEOPLE



J. Taylor Kennedy, 1978-79 president of the Canadian Manufacturers' Association (CMA), is a director of Canada Cement Lafarge Ltd. and president of Canfarge Ltd. Born in Montreal, he is an engineer by profession and is active in accident prevention work. [9]

special reports

Business

The labour-management decision: rhetoric or solutions?

Management should take more responsibility for reshaping industrial relations if Canada's stubborn economic clots are to be by-passed within a viable free market system.

This view was expounded to the country's top manufacturers at their latest annual meeting, not by a trade union leader but by one of the prominent members of their own community. It came as a welcome note of accord amid a setting that — in keeping with what appears to be a national mood — saw too much criticism and not enough proposals for concrete, constructive action.

"It is all too easy to say that there is 'too much government' but quite another matter to suggest how Canadians can lessen their dependence on government intervention," J. Hugh Stevens, chairman

and chief executive officer of Canada Wire and Cable Co. Ltd., told the Canadian Manufacturers' Association (CMA) at its annual meeting in Toronto, June 4-5. He was delivering his last address as CMA president.

"There must be a willingness among businessmen to take responsibility to offset this tendency and demonstrate that the market system can deliver better economic benefits than increasing government intervention," Stevens said.

One of the methods he suggested for accomplishing this was to try to be more understanding of government's motives instead of just "lash out with righteous indignation about government policies." He said this was one of the most important conclusions he

has drawn from his experience as CMA president.

Consequently, businessmen should propose reforms that are reasonable in both economic and political terms and develop an awareness of the pressures that prompt the government to intervene in the economy, Stevens said. In essence he was calling for moderation coupled with more in-depth analyses and new approaches to the broad spectrum of industrial relations. "I do believe that we need a greater agreement among all segments of Canadian society concerning our national objectives," he declared.

Federal labour minister John Munro spoke to the delegates about Labour Canada's plans. He sought to dispel misunderstandings regarding the 14-point program he announced some eighteen months ago aimed at improving the work environment, the process of collective bargaining and the labour relations system.

Portions of the 14-point program, related to overdue reforms in working conditions in federally-regulated industries, are already being implemented following parliamentary passage of Bill C-8. But the thrust of the program centres on "reinforcing the labour-management decision," with the



Well C.J.! It looks like they didn't like our proposals

government acting as catalyst and the ultimate aim being to bolster Canada's international competitiveness, Munro said.

He noted that many businessmen are "defensive" about the program while the Canadian Labour Congress (CLC), since the introduction of price and wage controls in October 1975, has withdrawn its representatives to the tripartite Labour Relations Council. Prior to that withdrawal the Council, comprising labour, management and government, had functioned for one and a half years with considerable success. It reached a consensus of opinion to set up an "objective" collective bargaining information centre; to upgrade the arbitration process in federal industries and to establish a Canadian centre for occupational health and safety.

The latter consensus was translated into reality with parliamentary passage in May of Bill C-35. It is now up to labour and management, who will jointly form the majority in the Canadian Occupational Health and Safety Centre, to nominate members to the board of directors. Meanwhile, legislation has been drawn up for the establishment of the Collective Bargaining Information Centre because "I want to be ready with the legal framework as soon as labour and management advise me it's time to move ahead," Munro said.

The government is moving on several other fronts to pave the way for a labour-management decision, Munro said, noting in particular industrial commissions of inquiry on conditions in various industries; on multi-lateral trade talks in Geneva and on some specific issues such as educational leave for workers, industrial layoffs and prospects for wider-based bargaining in federal industries.

"There must be a willingness among businessmen to take responsibility to...demonstrate that the market system can deliver better economic benefits than increasing government intervention"

These commissions, many of which will make recommendations in the fall, are aimed mainly at soliciting the views of both labour and management. "What we are looking for in these task force meetings is a clear definition of the efforts that business and labour will make together to improve industrial co-operation and industrial capacity — in order to get our production up and our costs down, to improve management, to improve labour skills, and identify problems such as barriers to capital investment," Munro said.

"It seems to me we are on the

threshold of consultation procedures where business and labour will be able to influence policy before it is made, and where business and labour will be taken into the confidence of ministers and officials who are developing policy recommendations...the threshold of a major breakthrough to consultation at the national level, on an on-going basis," he declared.

Reaction to Munro's statements, whether from businessmen or from the CLC, which fired a salvo from Ottawa, was not very promising. Abrasive and un-constructive language was not uncommon, either, at another panel on trade and investment. It appeared that the logic advocated by the outgoing CMA president — compromise and understanding evolved around national goals — holds less general appeal than vociferous rhetoric and hardline stances. [g]

Bill Megalli

New president

The new CMA president, J. Taylor Kennedy, 62, is a self-made man who started his career literally from the lowest possible rung — as a miner in Kirkland Lake, Ontario, working for 55 cents an hour in 1939. The Montreal-born Kennedy had received his master of engineering degree from McGill University a year earlier.

In 1940 he surfaced from Kirkland Lake to join the Canada Cement Co. as plant engineer at its east-end Montreal site. Over the following 18 years he progressed up the corporate ladder through such posts as project engineer; general superintendent; assistant to the president; vice-president and assistant general manager, and finally president and general manager in 1968.

When Canada Cement and Lafarge Canada Ltd. merged in 1970, forming the Canada Cement Lafarge Ltd., he was appointed president and chief executive officer. He retired last year but still retains the post of a director in the company.

In an interview published recently, Kennedy was quoted as saying: "We have to try to convince people that they will have to give up something, on both sides, to keep this country together." He said he has heard all of the criticisms levelled at the CMA as an association of knee-jerk reactionaries and "fat cats" who are opposed to everything, "but I think for the most part people realize the CMA is trying to do a good job to encourage manufacturing." [g]

Industrial democracy

Canadian unionists in Sweden

Sweden's industrial relations system, based on co-operation rather than confrontation, appeared almost too good to be true for seven Canadian union journalists who made a week-long study tour earlier this year as guests of the Swedish government and the country's two biggest labour centrals.

"It was like a visit to another planet," according to Charles Bauer, director of public relations for the Canadian Labour Congress. "The culture shock was so great we spent much of our free time trying to understand how the Swedes...seem to have created what appears to be an island of sanity and rationality in a mad world."

But he found questioning the Swedes on the subject to be futile: "They found their way of doing things the most natural thing in the world and didn't understand why anyone would rather arrive at solutions by fighting, insulting and hurting each other than by co-operating and working together."

"To visiting foreigners, the Swedish life seems a miracle," was the reaction of Marc Zwelling, editor of *The Miners' Voice*, monthly periodical of the Ontario district of the United Steelworkers of America. And Bonnie Mewdell, director of public relations for the Public Service Alliance of Canada, said a week in Sweden was all the time needed to understand "why some people regard it as a worker's paradise."

The March visit was sponsored by the Swedish government, the two-million member Confederation of

Trade Unions (LO), and the one-million member Central Organization of Salaried Employees (TCO). Other union journalists on the tour were Norm Simon of the Canadian Union of Public Employees, Bob Douglas of the Brotherhood of Airline and Steamship Clerks, Pat Kerr of the International Woodworkers of America, and Jean-Marc Carle of the USWA.

Bauer summed up the reaction of all seven in a recent issue of the CLC's quarterly magazine, *Canadian Labour*: "Time after time we found that we from North America spoke a different language from that of the Swedes, even though we all spoke English."

"The Swedes seem to have created what appears to be an island of sanity and rationality in a mad world"

Mewdell was struck by the "acceptance and respect" management held for workers and their unions. "Swedish employers regard consultation with unions as normal and even essential before taking any major decisions affecting the workplace," she wrote in the May issue of the PSAC's monthly *Argus-Journal*.

Close to 94 per cent of blue-collar workers and more than 80 per cent of white-collar employees are organized, she noted. She found that percentage remarkable "given that membership in Swedish trade unions is voluntary" with no form of union shop, closed shop or even Rand formula.

Consultation pervades the system,

she observed: "Not only is consultation between union and management a regular part of the country's social and economic planning at the national level, it is also a normal feature of every workplace. The Swedish system is the result of mutual trust that has been built up through years of social democracy.

"Joint union-management committees meet regularly to make decisions on matters ranging from safety and health to on-the-job training and worker education.

"Through employee involvement, quality-of-working-life improvements — only at the talking stage in Canada — are real and effective in Sweden. A new law on employee participation in decision making requires an employer to negotiate with unions on any plans for major changes. Employees can even forbid an employer from bringing in an outside contractor in certain cases."

The Canadians found the same story of co-operation based on mutual trust wherever they visited — labour schools, union offices, construction sites, a logging camp, a pulp mill and the Volvo plant in Kalmar. At the Bruk pulp mill in Mönsterås for example, both union and management said the consultation system was the reason there had been only one strike and one official grievance in the plant's 20-year history. When the Canadians asked Evert Carlhamn, the plant manager, whether he wouldn't rather operate without a union, he replied: "But how else could I consult with the 400 employees?"

Zwelling says Swedish workers

have had to give up some rights in exchange for a "real say" in the workplace. "Compared with Canada, Swedish workers are docile," he wrote in the April issue of *The Miner's Voice*. "The unions fight less about work rules, bidding rights for jobs, classifications and other contract language that equals job security. With virtually full employment and generous money for re-training, Swedish workers don't fear layoffs. Unions don't usually oppose technological changes, even if they'll wipe out jobs." He also found wage grades much more compressed than in Canada, with only four or five steps between the lowest and the highest paying jobs in most workplaces.

He was also impressed by the effectiveness of the bargaining system. LO and the employer counterpart (SAF), write a basic contract "every year or so" on wages and labour costs. Next, industry by industry, unions and employers adapt the LO-SAF deal

"We from North America spoke a different language from that of the Swedes, even though we all spoke English"

to their own sectors, covering all the steel companies, for instance, or every hospital, mine or foundry. "There is also plant-by-plant bargaining by local union chapters (called 'clubs') that write ground-rules for their own workplaces," he explains. "After LO and SAF agree, the big white-collar employees' federation, TCO, bargains for salaried employees, supervisors and service industry workers. Teachers, professionals and self-employed people represented in the 150,000-member SACO/SR also negotiate for the entire country at once.

"Because bargaining is industry-wide, Swedes consider strikes (or lockouts) almost unthinkable," Zwelling says. "The injury to workers, the economy and the

public would be too great. After the industry pattern is set, strikes...on local issues aren't lawful unless the union headquarters approves. But workers don't ratify the industry agreements." Zwelling quotes a union official: "How could you have a small group going on strike and upsetting a national settlement?"

In the light of the frequently strained relationships in Canada between the federal government and several of its employee organizations, Mewdell was impressed by the fact that Swedish public service employees take it for granted that government should be a "model" employer. She quoted Bertil Axelsson, ombudsman for a Swedish public service union, as admitting that some problems exist at the local level and criticizing a museum director who "knows a lot about Rembrandt but not much about labour laws." But these difficulties, she found, were the exception. [9]

Roy LaBerge

Some lessons from Sweden

During the past seven years, almost every major industrial enterprise in Sweden has tried out new work forms and routines to increase worker participation in decision making. Almost all of them have involved some form of consultative committee that meets regularly in a conference room. What has Sweden learned from their experience? The answers have been summarized succinctly in a paper published in the No. 2, 1977, issue of *Productivity and Technology*. It was prepared by Hans Lindestad, an engineer who observed both successes and failures throughout the period as an official of the Confederation of Swedish Employers. He says the

experience gained has been "unequivocal" in its direction:

- "Participation should not be developed as a parallel system to the line organization. Foreign and ambitious words should be avoided as well as intricate arrangements that make participation a special issue, outside the framework of ordinary work.
- "Participation cannot be

"The company that establishes the development of participation as a main objective runs a high risk of failure"

imposed on people, either by managers or by legislators. Certain mandatory procedures can be introduced but not know-how or willingness. Compulsion often generates distaste and triggers defence mechanisms.

- "Participation should be developed within the work organization. Development groups in which the supervisor and his skilled co-workers form a core, and in which experts on, for example, work study provide supportive ideas, and investigatory resources constitute the basic organization for participation. Such a work organization has great development potential.



This looks like a good one love... "pipe-fitter wanted, must have boardroom experience."

- "The company that establishes the development of participation as a main objective [i.e., as a goal in itself] runs a high risk of failure. Instead, the objective should be to achieve a more efficient operation in the broad sense of the term. Procedures for better participation and co-operation are only one of several ways to achieve this objective.

- "By concentrating on central production matters i.e., these that make it possible for the company to exist and for employees to make a living, participation will comprise issues of interest to all, issues which never become absolute. Work environment and work organization are inseparably linked to production matters and should be treated in their natural context.

- "Project groups and similar arrangements are necessary for major development projects. However, they also constitute the most

difficult forms of work. Great efforts must be lavished on the organization of project groups to achieve true team work and not merely endless meetings. The use of project groups should be restricted to very important development tasks, to avoid a jungle of committees and groups. Practical vocational know how should always be represented on the project group.

Job rotation is generally a poor solution to the problem of monotonous work

- "Small words and big results are better than the opposite."

Lindestad also summarizes some Swedish experience in coping with problems of worker participation at the shop-floor, rather than at boardroom level. Swedish managers found, for instance, that

production work may be made more varied by assigning related duties such as machine lubrication and maintenance to the operator.

Job rotation, however, was generally a "poor" solution to the problem of monotonous work. "The best form of variety in work is through a group which forms because the job calls for it," the author says. "This type of 'genuine' work group means there is spontaneous movement by employees to different tasks in the production system. Group work, he adds, "is almost out of the question when workers are unable to see one another during work; when they are unable to make themselves heard owing to noise or unable to leave their machines even for an instant."

Another useful development is the "product shop" — a miniature company within a company: "The shop has extensive resources for technical preparations and production administration, and can operate independently in day-to-day business. It provides a work site in which each worker is able to see, be familiar with, and become involved in the total process of which he or she is a part."

Lindestad also reports that Sweden has formulated four criteria for a "good and effective" production system: co-ordinated independence of small systems, a high degree of stability of the production system, task attractiveness, and, finally, a good production environment. He notes that the physical production environment has acquired increasing importance, and the elimination of accident hazards and health risks is not the only reason: "Environments which are safe and pleasant to work in also contribute to more efficient production." [9]

R.L.

Health, fitness and productivity

by Eric W. Banister

This article attempts to present a rationale for the provision of fitness and recreation facilities and programs in the workplace or adjacent areas to improve the physical vigour of employees. The author looks at the current cost to productivity of unfitness and absenteeism, and stresses the importance of preventive action. He examines the effectiveness of rehabilitative programs and describes both positive and negative aspects of company-sponsored fitness policies.

The relationship between health, fitness and productivity has generally been inadequately examined by industry, particularly in North America. Canada has been no exception. Since the total produce of a nation is a substantial determinant of the material quality of life, this is a matter of prime concern to most of us.

The average growth in real gross national product (GNP) per person employed in Canada in the last 20 years has averaged 2.2 per cent. Little change in this index is forecast by some analysts in the next few years.

While recognizing the danger of representing, in the size of the work force, all of the complex factors affecting growth of the GNP it nevertheless remains true that the growth of the labour force in Canada and the U.S.A. has contributed substantially to the overall growth of their respective GNPs in recent years.

The labour force in Canada, fuelled by the postwar baby boom and

immigration, grew substantially more in the last two decades than anywhere else in the industrial world. In this period, a superiority of labour force growth over population growth contributed in a major way to the growth in our standard of living.

This abnormal growth seems spent, and since the decline in population growth does not mirror the decline in labour force growth, then, in the absence of productivity increases, an improvement in our material standard of living is likely to slow as inexorably as it grew.

In many ways, life-style habits contributing to ill-health are considerably worse in the Canadian work force than in the adult Canadian population generally

Although this decline, in the immediate years ahead, will be obscured by achievement of lost economic potential, it is inevitable in the long term.

By choosing the real output per employee in the U.S.A. as a criterion representing 100 per cent productivity we may make national comparisons of the growth in productivity of various countries. Figure 1 shows this comparison for the years 1960 and 1976 respectively. Substantial growth is shown by several countries which were relatively unproductive compared with the U.S.A. in 1960.

This data may be presented in a

different way. If we again take the American worker as the criterion of being 100 per cent productive, then from 1960 onwards relatively less productive workers strive to improve towards the criterion. The time of course of this improvement follows the curve which is shown in Figure 2. This is a curve fitted exactly to the improvement of Japan. If we now consider the curve of improvement of Japan as the criterion expected curve of improvement, then depending on the point of productivity at which they start, each nation, during the course of 16 years, will move along this curve or deviate positively or negatively from it. We would say for each of these countries that they are, on course, accelerated or lagging in their drive toward overtaking and matching the U.S.A.

Interestingly, the curve shown in Figure 2 is remarkably similar to the improvement with training of a particular trait of physical fitness called oxygen uptake. Figure 3 shows this characteristic as it declines with bed rest and is reasserted with training.

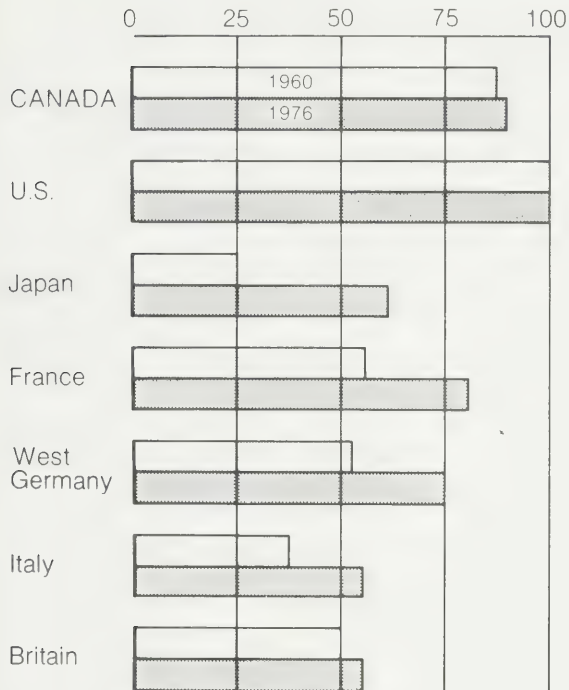
Can it be that these curves are related? That improvement or decline in total health and fitness of the worker is reflected in a rise and fall in individual productivity.

In order to assess the logic of this speculation we should consider the consequence to productivity first of unfitness and casual absenteeism in the work force, secondly of the effect of rehabilitative procedures on sick employees and thirdly of the possible advantages accruing to productivity from

FIGURE 1

HOW PRODUCTIVITY COMPARES

Level of real output per employee
All industries
(Index U.S.=100)

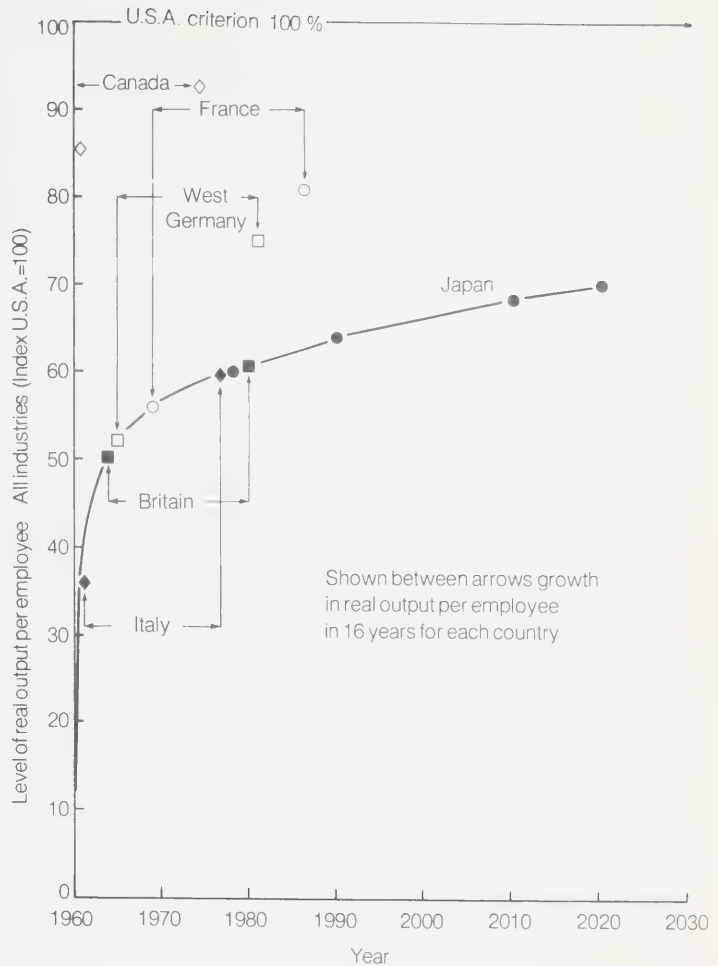


Source: Dorothy Walters, based on U.S. Department of Labor data

positive action to improve the health and fitness of the worker.

Table 1 shows employee absences from morbidity due to various disease states. Arteriosclerotic and degenerative heart disease ranks first on this list in terms of the average severity of the event (98 days). Casual absence (absence due to minor illness or personal reasons) has a low average severity. However, if the total days lost for each category is calculated (Table 2), casual absence accounts for the highest number of days lost and arterio-sclerotic and degenerative heart disease ranks only fifth. The cost of all absences to industry, bearing in mind that their prepon-

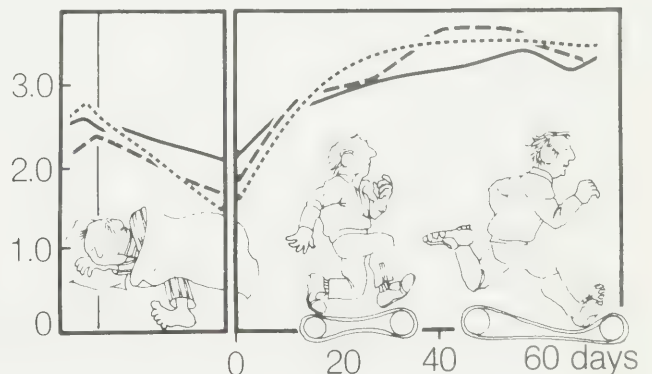
FIGURE 2



Shown between arrows growth in real output per employee in 16 years for each country

FIGURE 3

Oxygen uptake
litres/min



derance is from casual absenteeism, is staggering. Table 3 shows that days absent cost the Canadian GNP nearly \$5.5 billion in 1977. It is estimated that on any one day 530,000 Canadians are absent from work or roughly 5.3 per cent of the work force. Total days lost to industry from absence in 1976 was 93 million days.

In many ways, lifestyle habits contributing to ill-health are considerably worse in the Canadian work force than in the adult Canadian population generally. This may clearly be seen by studying Table 4. Recent categorization of behaviour patterns by Friedman and Rosenman enable us to evaluate the stress factor indicated in Table 4, as it is described by "Type A" or compulsively active behaviour. Table 5 shows those behavioural traits associated with "Type A" activity, and although these characteristics have usually been identified with personnel in management/professional type jobs, it has become increasingly apparent that "Type A" behaviour characterizes the activity of individuals across a broad spectrum of jobs in industry. Figure 4 indicates the incidence of chronic heart disease (CHD) in two subgroups representing "Type A" and its opposite ("Type B", or relaxed, non-compulsive) behaviour. The incidence of CHD is much higher in the "Type A" subgroup.

Stressful events, however incurred, often precipitate undesirable effects. For example, a study of the level of serum cholesterol (a high risk indicator for CHD) in groups of tax and corporate accountants during periods of great stress at their work has suggested a marked congruence between stress periods and raised cholesterol levels. It is apparent therefore that lifestyle habits or effects produced by job situations

...participation in vigorous exercise during leisure time enhances job performance and productivity

exert considerable physical and metabolic effects on us. Exercise often modifies or even eliminates these undesirable traits.

It has been proposed that physical effort in one's work protects against the onset of degenerative cardiovascular disease, though these results have been criticized on the basis that job selection creates a natural bias. However, the intent of our argument is not that job activity protects life but rather that participation in vigorous exercise during leisure time enhances job performance and productivity. Recent literature emphasizes this point. Even heavy activity (if we can find a job that

requires this today) affords less protective effect against accepted high CHD risk factors compared with the effect of strenuous activities followed in leisure or free time.

If personal fitness and physical vigour contribute to alertness, there may also be benefits in fit workers accruing through a lowering in the cost of compensable injuries. Table 6 shows compensable injury statistics and their costs in Canada and the United Kingdom in 1974. It is chastening to think that despite a gross population difference between the two countries man-days lost to compensable injury in Canada and Britain are remarkably similar.

Figure 5 shows a continuing disparity between man-days lost to work-related injuries relative to days lost from strikes and lock-outs.



TABLE 1
MORBIDITY *
(IN ORDER OF SEVERITY)

DIAGNOSIS	AVERAGE DAYS LOST PER INCIDENT (1971 - 73)
1. Arteriosclerotic and Degenerative Heart Disease	98
2. Arthritis and Rheumatism	61
3. Gastric Ulcer	53
4. Diseases of Bones and Joints (includes Degenerative Disc)	51
5. Occupational Accident and Illness	43
6. Psychoneuroses and Psychoses	41
6. Duodenal Ulcer	41
7. Non—Occupational Accident	39
7. Diseases of Veins and other diseases of Circulatory System	39
8. Primary Atypical and Other Unspecified Pneumonias, Pneumonitis	31
9. Diseases of Buccal Cavity, Oesophagus, Hepatitis, Pancreatitis, etc.	30
10. All other respiratory diseases (Laryngitis, Sinusitis, URI, etc.)	26
20+. Casual Absence	(5.4 - 7.6)

* Gibson, E., Martin, R. and Haynes, R. Mortality and Morbidity in a Population at Risk — The Working Male, 1975 (publication pending)
Dominion Foundries and Steel Limited, Hamilton, Ontario

TABLE 2
MORBIDITY *
IN ORDER OF TOTAL DAYS OF ILLNESS

DIAGNOSIS	DAYS LOST (1973)
1. Casual absence	33,656
2. Non—Occupational Accident	17,731
3. Occupational Accident or Illness	7,351
4. Diseases of Bones and Joints (includes Degenerative disc disease)	4,297
5. Arteriosclerotic and Degenerative Heart Disease	3,528
6. Symptomatic Disease and Diseases (ill defined)	2,506
7. Psychoneuroses and Psychoses	2,172
8. Arthritis and Rheumatism	2,109
9. Diseases of Veins and other Diseases of Circulatory System	1,933
10. Bronchitis	1,829
11. Influenzas	1,531
12. Hernia	1,521
13. All other Respiratory Diseases (Laryngitis, Sinusitis, URI, Lung Abscess, Bronchiectasis)	1,239
14. Diseases of Buccal cavity and Esophagus Hepatitis, Pancreatitis, Functional Disorder of Intestine	1,198
15. Primary Atypical and other unspecified Pneumonias, Pneumonitis	1,146
39. Malignant Neoplasm of Respiratory System	104
40. Malignant Neoplasm G. I.	98

* Gibson, E., Martin, R. and Haynes, R. Mortality and Morbidity in a Population at Risk — The Working Male, 1975 (publication pending)
Dominion Foundries and Steel Limited, Hamilton, Ontario

TABLE 3
ABSENCE PROFILE IN CANADIAN INDUSTRY 1977 *

% Cause		% Total time taken in absences of 1 - 3 days	Personnel absence Profile		
Illness	Other		Blue collar production / White collar	Female / Male	Non manager / Manager
80	20	50	Higher / Lower	Higher / Lower	Higher / Lower

* Industrial Relations Centre Report, Queens University 1975

ESTIMATED ABSENTEEISM COSTS IN CANADA 1977 *

Number in Canadian work force	Average Number of days absent	Recoverable days (50% x 9.8 x 12.7)	Average daily wage	Direct recoverable wage costs	Indirect recoverable cost 75% of wage costs	Total absence cost
Millions	Day/Year/Worker	Millions Days	\$	\$ Millions	\$ Millions	\$ Millions
9.8	12.7	62	50	3,100	2,325	5,425

* Industrial Health Assistance Ltd. (Toronto)

TABLE 4

ESTIMATES OF SELECTED LIFESTYLE FACTORS
IN THE CANADIAN ADULT POPULATION AND WORK FORCE

(age 15 and over unless otherwise noted)

LIFESTYLE FACTOR	PERCENTAGE ESTIMATES FOR TOTAL ADULT POPULATION		PERCENTAGE ESTIMATES FOR LABOUR FORCE	
Alcohol - problem drinkers	2-6%		2-6% (up to 8% in U.S.)	
Smoke - regularly	39%		45%	
Nutrition - overweight/obesity	"overweight" *		"obesity" **	
	Male	Female	Male	Female
Age 20 - 39	42%	43%	15%	35%
Age 40 - 59	61%	65%	23%	51%

* Nutrition Canada estimated Ponderal Index $\left(\frac{\text{Height (inches)}}{\text{cubic root weight (lbs)}} \right)$; values below 12.5 classified as high risk category ("overweight")

** Skin-fold caliper fat estimation; "obesity" for males 15 + % body fat, females 20 + % body fat

*** Fitness level categories are those recommended by the American Heart Association 1972

ESTIMATES OF SELECTED LIFESTYLE FACTORS
IN THE CANADIAN ADULT POPULATION AND WORK FORCE

(age 15 and over unless otherwise noted)

Physical Activity				
-leisure time participation level	75 - 79% (less than 1 hour of exercise per week)		77% ("physically inactive")	
-aerobic (endurance) fitness level***	Male	Female	Male	Female
FAIR / LOW	38%	48%	73%	66%
"AVERAGE"	42%	35%	22%	25%
GOOD / HIGH	20%	17%	5%	9%
"Stress" producing significant "strain"	unknown		unknown	

* Nutrition Canada estimated Ponderal Index $\left(\frac{\text{height (inches)}}{\text{cubic root weight (lbs)}} \right)$ values below 12.5 classified as high risk category ("overweight")

** Skin-fold caliper fat estimation; "obesity" for males 15 + % body fat, females 20 + % body fat

*** Fitness level categories are those recommended by the American Heart Association 1972

One initiative for reducing costs due to disability absence in Canada has been taken by the Bell Canada System. Figure 6 shows

the effectiveness of an aggressive but sympathetic visitation/rehabilitation scheme, instituted in 1950, aimed at reducing severity rate in

sick employees. No similar decrease in severity rate during the same years was observed in the Bell System in the U.S.A. where sickness and benefit plans were identical with those at Bell Canada. In the period studied, sickness payments charged to benefit accounts decreased by \$7 per \$1,000 of company payroll.

In a company the size of Bell Canada, \$1 per \$1,000 of wage payment is worth \$301,000 in direct costs. Calculating the total cost as 2½ times the direct cost, \$752,000 would be saved per dollar difference between the years prior to 1950 and those after 1962. This represents a total amount saved in excess of \$5 million per year.

One direct effect of introducing fitness and recreational programs in the workplace is to improve the social fabric of life there

A more recent but similar approach is that adopted by Babcock and Wilcox Canada Limited, involving the appointment of an absentee control monitor and the institution of a visiting nurse program.

The savings effected by Babcock and Wilcox during a period of labour shortage when productivity was in jeopardy amounted to approximately \$400,000 per year compared with program costs of only about \$30,000 per year.

Astronomical increases in the cost of health insurance premiums, which help compensate companies for the direct cost of prolonged employee absences, and disability pension payments, will undoubtedly encourage other companies to think of alternatives. General Motors of America, for example, now spends \$825 million

TABLE 5
TYPE A BEHAVIOR PATTERN

- Action — Emotion complex
- Engages in a relatively chronic and excessive struggle to obtain an unlimited number of things from the environment in the shortest possible time.
- Accomplishes against the opposing efforts of things or persons
- Never desponds of winning
- Confidently advances to grapple with challenge

TABLE 6

COMPENSABLE INJURY STATISTICS IN CANADA AND THE U.K.

	Year	Compensable Injuries	Deaths	Cost Man-Days Millions	Cost \$ Millions
Canada*	1974	1,045,849	1465	15	524
United ** Kingdom	1975	—	1328	15	—
BC**	1977	149,653	138	—	127.7

* Chisholm Can. J. Public Health 68: 1977

** HMSO, U.K. Health and Safety Statistics 1975

** Annual Report, Workmen's Compensation Board, B.C. 1977

physical fitness. Concerted efforts have been made to provide the facility, opportunity and leadership necessary to improve the life-style habits and physical vigour of their human resource. American companies committing large sums of money to such schemes include Phillips Petroleum, North American Rockwell, the National Aeronautics and Space Administration, The Justice Department of the federal Government, Arco, The Chase Manhattan Bank, Exxon, Xerox, General Foods, Texaco, Firestone, Goodyear, Bonne Bell Cosmetics and Long-Temco Vought. More than 300 companies now employ full-time fitness directors and hundreds of others operate some kind of fitness or recreational program.

In Canada, organizations such as Caminco, Imperial Oil, Manufacturers Life, the Bank of Canada and in particular B.C. Telephone are also taking innovative steps in this area.

One direct effect of introducing fitness and recreational programs in the workplace is to improve the social fabric of life there. Congeniality, improved relationships, and individual and group interactions inevitably occur.

on employee health schemes. This adds \$175 to the cost of each car. Figure 7 shows that the burgeoning cost of health care in Canada, generally, is mirrored, albeit some orders of magnitude lower, by the estimated combined cost of workers' compensation and health insurance premiums of a typical medium-sized Canadian company. How much better would these monies be spent in building facilities and providing programs for developing physical vigour in the work force?

The bottom-line cost of heart disease to industry in the U.S.A.

has been estimated to be a crippling \$50 billion per year. Back-ache accounts for another \$225 million in direct compensable costs alone from workers' compensation and cost \$1 billion per year.

The individual's perception of how hard he or she is working changes in a standard work test as personal fitness levels increase

These data have prompted private firms and government departments to become increasingly concerned about improving employees'

The experience of Kochum Mekaniska Verstdads AB in Sweden, the world's fifth largest ship-building firm exemplifies this. Prior to 1970, company losses totalled \$13 million annually, and their annual work force turnover was 50 per cent in an employee total of 5,800. After 1970, however, a number of innovations in the areas of health, recreation and sociability were taken up by management to improve this situation. These included the replacement of one part-time doctor with two doctors, a dentist and a physiotherapist, all full-time, the building of a \$5 million recreation

FIGURE 4

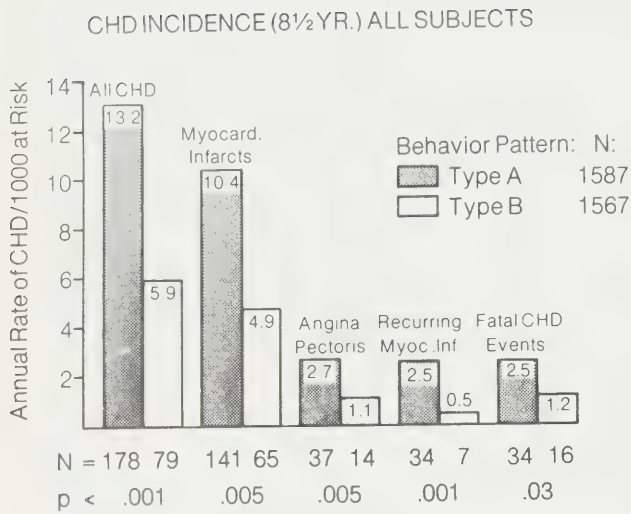


FIGURE 5

MAN-DAYS LOST: STRIKES VS INJURIES
 Canadian figures in millions of man-days



FIGURE 6

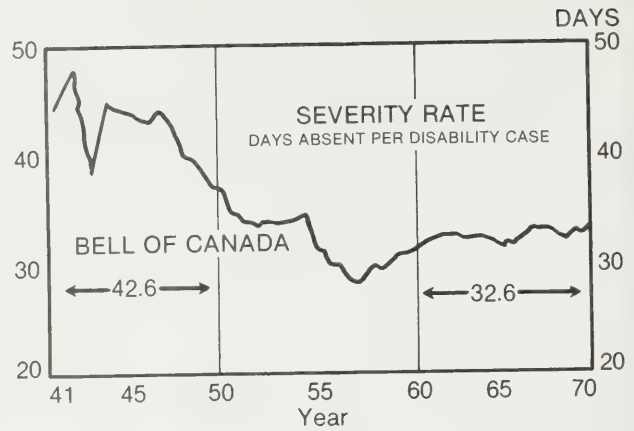
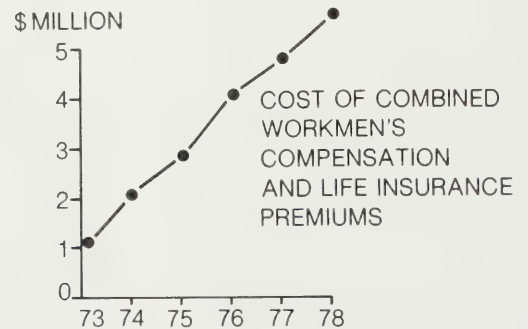
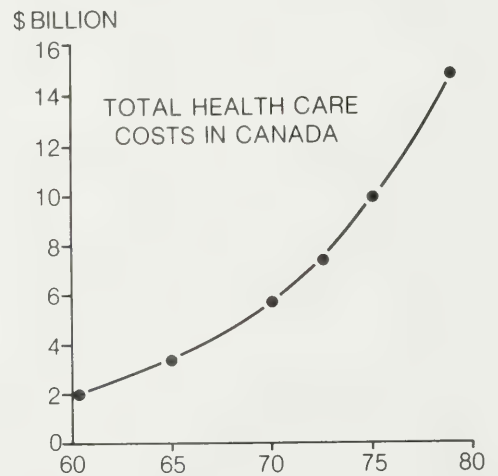


FIGURE 7



centre for employees and families, and the building of well styled dining rooms, lounges, showers and saunas for groups of workers (40-100).

Moreover, the company recognized that job autonomy was an important determinant of happiness in the workplace. Steps were therefore taken in the area of job autonomy to recognize the identity of work groups, to tie only 10 per cent of the wage structure to productivity, to institute joint blue-collar/white-collar decision-making councils, and finally to institute \$25,000 block grants to departments for autonomous use in upgrading local work sites.

Following these changes, profits were made in 1971, doubled in 1972 and increased again in 1973 to more than 15 per cent of total sales revenue.

Beneficial consequences have also accrued to other organizations instituting fitness and recreation programs. A comprehensive study by NASA of 232 of their executive personnel enrolled in their recreational program reported that good adherers (more than 80 per cent attendance) to the program indicated subjectively a much greater beneficial effect on a variety of lifestyle and job related traits than fair (50 per cent attendance) or poor (less than 40 per cent attendance) adherers.

Among these traits were a feeling of better health, greater stamina, weight loss, a more positive work attitude, less stress and tension, improved work performance, increased physical activity beyond the program, improved diet, increased recreation, more adequate sleep and rest and reduced smoking.

Provision for initiative and involvement by employees in every phase of an industrial operation has been described by a variety of terms

such as job enrichment, job enlargement, and work enrichment. The challenge presented in this type of work organization invariably requires hard work. Ultimately workers derive greater and greater satisfaction out of doing better than the norm whatever that may be perceived to be. Physical vigour is an obvious asset in such operations, for in group work the strength of an operation is that of its weakest individual link. Profitability in operations arranged in this way in one company stemmed from lowering the ratio of direct to indirect (inspections, paper shuffling, etc.), labour costs from 60-40 to 75-25, reducing turnover from a national average figure of 35 per cent to 10-12 per cent and lowering average absenteeism to only 1.2 per cent compared with national averages of 4 to 5 per cent.

...increased employee participation in relatively vigorous activity is likely to be accompanied by increased sports-related health hazards

The individual's perception of how hard he or she is working changes in a standard work test as personal fitness levels increase. Obviously fatigue, inattention, low productivity and accidents occur more frequently in the unfit worker trying to keep to production schedules than in physically fit employees, especially if the subjective impression of being fatigued is also enhanced in the unfit.

Some 10.2 million adult Canadians engage in exercise ranging from walking, jogging/running to skipping rope. Sixty million adult Americans also engage in similar activities. Some comparisons for 1976 are shown in Table 7. This is an appropriate time to influence the habits of the work force simi-

TABLE 7		
	Canadian (millions)	American
Walking for exercise	7	44
Bicycle riding	2.25	18
Swimming	7	14
Jogging/running	2.5	6.5

larly. However, a word of warning needs to be sounded.

It is important to emphasize that increased employee participation in relatively vigorous activity is likely to be accompanied by increased sports-related health hazards. The most common are injuries such as contusions, muscle strains, joint sprains, fractures, abrasions and facial and teeth injuries.

Running consistently causes 60-70 per cent injury rates in participants who run with competitive desire. Although no exact figures are reported for jogging, the incidence rate is probably greatly reduced. In the latter group (i.e. joggers), of course, the rationale behind exercise is always to allow recuperation and freedom from any residual aches and pains to occur between sessions.

Although a medical is desirable before an employee becomes involved in company fitness programs, the cost of such a practice would be prohibitive and impracticable. Probably a better approach is to engage fitness program directors who are practical and knowledgeable in the areas of anatomy, athletic injuries, first aid and are trained in exercise physiology and testing. General consultation with a company physician in problem areas, about problem participants and on program aims and aspirations will then normally suffice. [9]

Professor Eric Banister is chairman of the department of Kinesiology at Simon Fraser University, Burnaby, B.C.

Major collective bargaining issues in the post-controls period

by William Kelly

As Canada moves into the post-controls period, the burning question is what will happen in negotiations no longer subject to controls, the majority of which will take place, or come to a head, in 1979. The predictions seem to run from a wage "bubble" to a wage "explosion."

It would be desirable in the interests of our economy and the almost one million unemployed if annual wage increases continued their downward trend. I do not think anybody would argue that this would not improve our competitiveness, strengthen our export position, improve balance of payments and generally stimulate the economy, thereby creating more jobs with a concurrent increase in government revenues, and so on. However, I cannot, at this time, see a continuation of this trend, established during the controls period, unless there is a substantial, if not dramatic, downward trend in the Consumer Price Index. I think organized labour will be demanding increases at least to the extent where their dollar has been eroded in the previous year.

While I am not an expert on the experience under United States controls, it is my understanding that when controls were lifted, settlements were made at an above-the-wage-guideline figure, but a lower plateau was established than existed before the controls were imposed. There is reason to believe that this pattern may emerge in Canada and could be the bargaining objective of unions.

I think everyone agrees that the Anti-Inflation Board administered, in Jean-Luc Pepin's words, "rough justice." If union bargainers attempt to correct all the injustices and rollbacks that took place over the past couple of years, then we really are in trouble. Personally, I don't see this happening.

There will be instances, however, where an injustice or a disparity in wage rates has occurred of such significant magnitude that it clamours for attention. I think some of these injustices will have to be corrected even if the percentage wage figure is higher than the going percentage rate of wage increase. This is the difficulty of trying to adhere to guidelines or target indicators. One would have to assume at the outset that all wage rates were equitable. Where anomalies exist, they would be maintained and magnified in the strict application of so-called guidelines.

It would be desirable in the interests of our economy if annual wage increases continued their downward trend...

Where wage anomalies have to be corrected, it is to be hoped that employees in other bargaining units or industries recognize what is taking place, rather than tell their bargainers to go after the same increase as was obtained in such and such a plant or enterprise where an anomaly was corrected. If this happens, we are in

trouble. When we enter the post-control era, there could very well be some major strikes or tests of economic strength, and should this happen, the public should understand that strikes are part of our system in a free democratic society.

In addition to wages, two other issues of prime concern will emerge in the so-called post-control era — job security and pensions.

Job security will be a very important issue. We witness today massive layoffs in extraction industries that even the pessimists never contemplated when someone once referred to the Twentieth Century belonging to Canada. People are becoming increasingly concerned about losing their jobs, and in the organized sector they are telling their union leaders that they are entitled to keep their jobs after devoting years of service to a company.

Layoffs can result from technological or organizational change, product obsolescence, domestic or foreign market shifts, production shifts, resource depletion or from lessening of domestic or world demand, brought on by any number of economic forces. The proper functioning of a dynamic and productive industrial society should depend not only on change and innovation, but also on the adaptive mechanisms designed to assist individuals who are affected by those changes.

Aside from legislative protection

and special programs, the parties themselves, through collective bargaining, have developed a number of significant measures to cushion the impact of layoffs and minimize dislocation arising out of technological change or other factors. An analysis of some 3,000 collective agreements covering 2,400,000 workers indicates: 50 per cent of the workers have contractual entitlements to severance pay; 25 per cent have entitlements to training or retraining in the case of technological change; 4 per cent have relocation entitlements in the case of technological change; 21 per cent have wage or employment guarantees in the case of technological change.

When we enter the post-controls era, there could very well be some major strikes or tests of economic strength

About 4 per cent, or 100,000 workers, have provisions requiring up to three months notice of layoff arising out of technological change. Another 60,000 workers are covered by provisions that guarantee between three and six months' notice.

A brief description of two job security programs may illustrate the practical application of various employee protection concepts: the railways and the St. Lawrence River ports' longshoremen.

In 1962, the railways and non-operating and shopcraft unions reached agreement on the establishment by the companies of a fund that would provide for a job security program. The Canadian National and Canadian Pacific funds were to be supported by a one-cent-per-hour contribution.

In 1964, the actual collective agreement was signed specifying

If union bargainers try to collect all the injustices and rollbacks that took place over the past couple of years, then we really are in trouble

the benefits payable. The provisions and levels of benefits of the original program have been extended over the years, and special provisions incorporated in cases of technological, operational and organizational change. These are the principal terms of the job-security agreement:

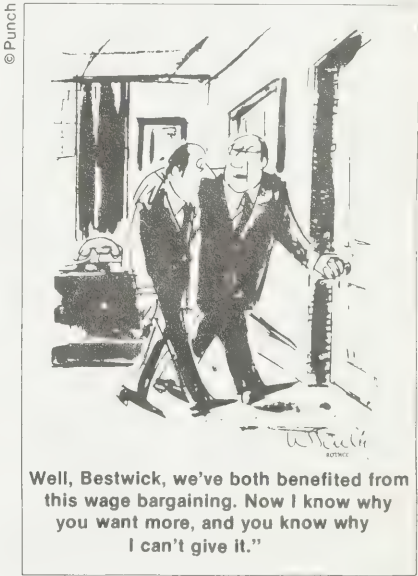
- a weekly layoff benefit of up to 80 per cent of basic salary, up to 5 years (after 30 years' service) depending on credits built up by years of service;
- a lump sum severance payment upon resignation;
- 80 per cent of salary while training for another position;
- relocation expenses, including door-to-door moving costs and up to \$3,000 for loss on sale of house;
- extra provisions for laid-off employees with 20 or more years of service;
- special provisions governing technological, operational and organizational changes, such as advance notice to negotiate on certain issues, maintenance of basic rates, and early retirement allowances.

The railway running trades' agreements are similar in thrust, with the exception that they call for specific notice, following which an agreement is negotiated. Negotiable items include appropriate timing, appropriate phasing, hours of duty, work distribution, adequate accommodation, seniority arrangements, layoff benefits, severance pay, maintenance of basic rates and a number of other

issues. The job security provisions were improved during the round of recently completed negotiations.

The second example covers longshoremen employed in the St. Lawrence ports of Montreal, Quebec and Trois-Rivières and goes back eleven years. Technological improvements in cargo handling, such as containerization, had led to productivity gains and changing manpower requirements. There was a move away from the traditional casual labour system, and employers sought to gain more direct control over manpower deployment. Faced with this situation, longshoremen began seeking job security and other adjustment programs to protect their livelihood.

As a result of strikes at the St. Lawrence River ports, an industrial inquiry commission was established in June, 1966, to examine the manpower problems. Flowing from this commission, a recommendation was made for guaranteed job security on a weekly basis during the 37-week shipping season in the Port of Montreal. Longshoremen employed at Trois-Rivières and Quebec and ship-liners at Montreal were guaranteed



a total number of hours on a seasonal basis. The fund to support this guarantee was to be financed by a cargo tonnage levy. The recommendations of the industrial inquiry commission were incorporated into the collective agreements in 1967.

The job-security guarantee evolved to become a weekly guarantee during the shipping season for all longshoremen employed at the three ports. This weekly guarantee proved too costly for the Maritime Employers Association and they sought to have it amended during the 1975 negotiations.

Some unions believe that existing pension plans are being managed in the interests of the employers rather than of the employees

A subsequent report of Conciliation Commissioner Judge Alan B. Gold of Montreal recommended a change to a seasonal guarantee with provisions for weekly wage payments, in advance when necessary. The seasonal guarantee period varied — 1,600 hours in Montreal, 1,400 hours in Quebec and 1,200 hours in Trois-Rivières. Judge Gold's recommendations were subsequently incorporated in a legislated settlement governing the ports for a three-year period, commencing January 1, 1975.

In the context of the present high level of unemployment and increasing concern for job security, I would anticipate growing union pressure for mechanisms to protect workers' interests. One could expect such demands as limits on, and higher premiums for, overtime worked; restrictions on contracting-out; provisions for early retirement, and schemes for security of employment.

The matter of pensions is the second major issue I would see arising in the post-controls period. Currently there is considerable discussion of the question of pension adequacy, both with respect to government and private plans. This matter has received particular attention because recent high rates of inflation have seriously eroded the real value of pensions and highlighted the need to protect future pensions.

With increasing concern expressed by pensioners that their interests are not being adequately represented at the bargaining table, some retirees advocate changes in labour legislation to clarify the role of former employees in the collective bargaining process. Some retired persons suggest that there is a need to require unions to bargain on behalf of former members of the bargaining unit.

In a recent landmark case, the British Columbia Labour Relations Board ruled that a union has the right to bargain on pension benefits for its retired members. At the same time, the board said the B.C. Labour Code does not prevent an employer from refusing to discuss the point. As a result of this, however, the union would be able to strike in pursuit of improved pension benefits for retirees.

The decision developed out of an application by the Canadian Paperworkers' Union for a ruling that the Pulp and Paper Industrial Relations Bureau, representing a number of employers, had bargained in bad faith by refusing to discuss improved pensions for retired workers. The board dismissed the complaint, but ruled that the union had the right to bargain on the issue. At the board hearing, evidence was provided by the CPU that the practice of bargaining on behalf of retirees is widespread in North America.

Public reaction to the indexation of public service pension plans, including those granted to judges and Members of Parliament, has generated considerable debate

Public reaction to indexation of public service pension plans, including those granted to judges and Members of Parliament, has generated considerable debate. While some groups take the position that the country cannot afford indexation, others question the adequacy and administration of private pension plans.

There are demands in some quarters that the federal government take over all pension plans, a measure that would provide more portability and, in the minds of many, higher levels of benefit, including indexation.

Related to this concern over private pension administration is the belief, among some unions, that existing pension funds are being managed in the interests of the employers rather than of the employees. For example, some unions believe that pension funds should be devoted to low-interest mortgages for plan members. Depending upon the needs and interests of plan members, this view may or may not be supported, as it would affect the return on and security of the fund.

As a result of growing employee and pensioner interest in pension fund management, increasing interest is being shown in union-management trusteeship of pensions funds. There is every indication that we will be hearing plenty about pensions across the bargaining table in the post-control era. [9]

William Kelly is assistant deputy minister, Canada Department of Labour.

Toward a shorter work week

by Paulette Bourgeois

When labour and government get together on the unemployment question, labour invariably brings up the shortened work week as the panacea.

In an article in the AFL-CIO *American Federationist*, John Zalusky points out that labour's cry for a shorter work week, earlier retirement and more time off the job with pay stems from the necessity to provide job security. "If we currently worked 70 to 75 hours per week without vacations, holidays and early retirement, the unemployment rate would be near half the work force," writes Zalusky. "The effect would be a working elite with high incomes and the other half on unemployment and welfare, supported by those working."

Zalusky, an economist with the AFL-CIO's department of research, is not alone; the newly-formed union group, the All Unions Committee to Shorten the Work Week, has the support of such powerful unions as the United Auto Workers and the United Steelworkers in its campaign to "create jobs by reducing the hours of labour." Organizer Frank Runnels, president of the UAW's 10,000-member Cadillac Local 22 in Detroit, doesn't expect an overnight change in the work week but the move toward a shorter week is on its way.

Scheduled work days have remained relatively steady, in the past few decades, but scheduled hours of work have been decreasing across the country. Data from the Bureau of

Labor Statistics (BLS) in the U.S. show that non-agricultural wage and salary workers worked 41.1 hours per week in 1948, while they now put in 38.2 hours. In 1948, however, 26.6 per cent of workers were on the job 41 to 48 hours each week; by 1976 this had dropped to 10.9 per cent. Thus more workers are working shorter work weeks today (in terms of hours) although 45.5 per cent of all workers still have a 40-hour week.

Unless they are single and look for long weekends, workers have expressed "little interest" in working longer hours spread over fewer days

Zalusky points out scheduled work weeks of less than 40 hours are growing slowly but steadily in labour contracts — the printing and construction trades and some service employees have negotiated contracts with a 35-hour week. But there are still few situations where the *compressed* work week has been negotiated, he says.* Unless they are single and look for long weekends, workers have expressed "little interest" in the idea of working longer hours spread over fewer days, writes Zalusky. What the "postwar baby boom" generation of workers wants is more time for leisure and less time at work.

*A 1974 BLS study of days of work reported that only 2 per cent of the U.S. work force worked less than five days a week and only 10 per cent of this group worked 10 hours a day.

Members of the United Auto Workers (UAW) are already moving quickly toward a compressed work week with *no* increase in daily hours of work. In late 1976, the auto workers negotiated into their contract a unique holiday scheme called Paid Personal Holidays, which has given five personal holidays a year to all auto workers with at least one year seniority. This figure will be raised to seven holidays next year, and the union hopes to keep increasing the number of paid holidays until it achieves a four-day work week.

"The four-day work week is inevitable," said UAW president Douglas Fraser in a *Business Week* interview, "the only question is how fast do we get there." If the UAW does win a compressed work week by the 1980s, other unions are bound to follow their lead. But *Business Week* says that unless the change is legislated, it will take years to spread to other industries through collective bargaining.

According to the UAW, the main problem with personal holidays is devising a schedule of days off for 700,000 auto workers that enables the car companies to continue operating assembly plants at least two shifts a day, five days a week. The holidays must be scheduled so they do not aggravate manpower shortages in the peak summer months when most workers take regular holidays.

Arthur W. Hanlon, Ford's manager of union relations, told *Business Week* that, "the single most

difficult challenge was to set up a schedule which balanced the work force, especially the skilled-trades class, and the number of Mondays and Fridays everybody got."

Many unions remain skeptical about whether the auto companies will hire new workers to replace those on holiday, or merely schedule a lot of overtime. But the agreement establishing the program states it should provide additional job opportunities. And, although it is still too early to tell, managers seem to feel the holidays are lowering high rates of absenteeism.

According to a study by Richard Hartman and Mark Weaver published in *Human Resource Management*, the four-day work week increases production, decreases absenteeism, and

improves employee satisfaction. They studied 400 of the 700 U.S. companies that have opted for a compressed work week with longer work days. A significant number of the firms experienced a positive effect on their productivity. In the manufacturing sector, which was the largest group

Many unions remain skeptical about whether the companies will hire new workers to replace those on holiday, or merely schedule a lot of overtime

studied, fewer start-up times was a major reason cited in the improvement. The authors suggest there was less absenteeism than in a five-day week because more pay is lost when workers miss one day of

a four-day week.

According to the researchers, a major reason that an increasing number of firms are either adopting or considering alternative work weeks is employee satisfaction with the conversion. An increasing desire for more days away from the workplace could result in significant social impacts and changes in consumption patterns, say Hartman and Weaver.

The 1970s trend was for workers to upgrade their standards of living through increased consumption rather than through more leisure time. But as *Business Week* suggests, the reverse may be true in the next decade. Unemployment, inflation and a greater concern for the quality of work life may force us into the shorter work week. [19]



Managing people in a period of restraint

by Eileen L. Cameron

Over 400 enthusiastic public personnel administrators and managers from across Canada converged on Ottawa's Chateau Laurier from May 24-26 for the International Personnel Management Association (IPMA) — Canadian Region's annual conference. The public personnel community, which includes those who work for the government at the federal, provincial or municipal level or for such publicly supported institutions as universities, hospitals, school boards, and so on, took full advantage of the sessions to enlarge and enhance their knowledge of the personnel field.

It was very much a no-frills, working conference and the delegates were kept on the hop attending breakfast sessions, panel discussions, concurrent workshops, audio-visual presentations, exhibits, luncheon lectures and even an exercise break. In short, there was something for everyone.

It was also an historic conference as well in that it saw the adoption of a new constitution which changed the name as well as the direction of the association. As of June 1, the International Personnel Management Association — Canadian Region officially became the Canadian Public Personnel Management Association (CPPMA). Although the new association will place more emphasis on the needs and concerns of the Canadian public personnel community, it will still maintain its affiliation and

strong relationship with the American-based International Association.

Established ten years ago, the IPMA-Canadian Region was one of five Regions in North America. It grouped together all six Canadian Chapters and had the same relationship and status as the four U.S. Regions.

The new association will soon establish a national office and an Executive Director in Ottawa.

The theme of the conference, "Focus on the '80s" might well have been subtitled "Making Do With What You've Got" as each speaker took pains to point out that fiscal restraints were here to stay and would probably become even more stringent in the 1980s.

...the general public is ambivalent about strikes. "If they are in the private sector, that's OK. But if they are in the public sector...the public gets very upset"

Although most of the speakers and panelists prophesied a rough road ahead for personnel managers, they also saw it as presenting the challenge of a lifetime.

Speaking as a member of the panel on "The Strike, Is There an Alternative?" Tom Eberlee, federal deputy minister of labour, stated

flatly that unions and management would have to become more aware of the realities of Canada's economic health. He argued that if Canada were going to remain productive, an alternative must be found to strikes. However he tended to downplay the effect of strikes and maintained that the published facts were overly exaggerated. He stressed that strike statistics could be misleading because the economic impact of strikes was hard to assess, at which point panel member Grace Hartman was seen to nod her head in vigorous agreement!

Eberlee went on to say that the right to strike was a fetish and that unions and management should try a variety of approaches such as mediation, arbitration, single-team bargaining, and so on. He went on to mention a few alternative methods which had been found effective in other countries, and he stressed the need to:

- "provide unions and their members with much more opportunity to understand fully the realities and the finiteness of Canada's economic possibilities;
- "give them a substantial sense of responsibility for Canada's economic health, along with new opportunities to exercise that responsibility;
- "give labour and management support of various kinds that will lead to rational decisions;

- “promote for employees much more opportunity to participate meaningfully in shaping their economic destinies in their places of employment;

- “eliminate certain nagging injustices at the workplace and in employer-employee and union-management relationships...that are chronic generators of undue conflict;

- “guarantee healthier and safer working environments through the identification and vigorous elimination or control of hazardous situations.”

Grace Hartman, the Canadian Union of Public Employees' (CUPE) forceful president, denied the existence of reasonable alternatives to strikes. “Strikes are a natural result of the collective bargaining system and as such are a part of our economic structure,” she said. “Every time there is a strike in the public sector you hear all the time-worn formulas for alternatives trotted out, but after reviewing them, the old system

“Restraints will continue to grow and we will face a period of much slower growth”

doesn't seem so bad.” As for trying to impose a foreign labour relations system on Canada as suggested, she said it would prove disastrous because Canada's labour problems are unique.

The third member of the panel, freelance labour relations consultant Eleanor Dunn, noted that there was a growing public sentiment against strikes and she felt this was a reflection of the conservative trend now so prevalent in the country. She went on to say that the general public is ambivalent about strikes. “If they are in the private sector, that's OK. But if they are in the public sector and they interfere with say the delivery of a pension cheque, then the public gets very upset,” she said. She agreed with Grace Hartman that the right to strike was necessary and said that in her opinion collective bargaining was still the

best system available. She suggested though that a lot of problems could be solved if there were better communication between management and labour. “There is a general lack of understanding all round and this is where the role of the personnel manager could be improved,” she said. She added that the next election will capitalize on the public's misconception of the public servant and that union demands would have to be scaled down in the public sector.

Another interesting panel discussion and one in which the panelists were in complete agreement, was on the subject of the public sector in a period of restraint. The panelists were unanimous in predicting a rather bleak future for the 1980s — especially for public servants.

The delegates were told by Bill Jackson of the Government of Manitoba Employees' Association, that union leaders as well were in for a tough time ahead. It was his opinion that the most important task would be not to get higher wages for the workers, but to save their jobs for them.

Dian Cohen, well-known Montreal economist and writer also predicted that government employees would have to fight to keep their jobs and their bargaining rights during the next decade. She warned that the period of fat-cat unrestrained growth was over. “Restraints will continue to grow and we will face a period of much slower growth,” she predicted. She added that public servants would have to provide better quality service rather than more service.

The third panelist, Victor Young, Secretary of the Treasury Board of the Government of Newfoundland, was even gloomier. He prophesied that all new governments, no



matter what their political stripe would indulge in civil service cutbacks and restraints. He said there would be a push to set wages below those in the private sector, adding that personnel spending was going to have a very low priority in the civil service. He concluded by saying that the new decade would present the challenge of a lifetime for personnel managers. It would be an era of self-imposed financial discipline in which both labour and management would be under great strain and forced to face the toughest, most realistic collective bargaining yet. He called upon the delegates to rise to the occasion. He appealed to them to make the best of things, to try to understand the need for restraint and put the necessary mechanisms into effect.

A lively question-answer period followed in which one of the delegates asked quite reasonably how civil servants could be expected to cope when the general public demanded, and politicians promised, more and better services and programs but they (the civil servants) were not going to be given either the money or the staff to implement these services.

Brought in to perform some informed crystal-gazing on the trends and developments in personnel management in the 1980s, both Dr. Jean-Marie Toulouse, social psychologist and Director of Research at the University of Montreal's École des hautes études commerciales, and Dr. Edward Lawler, Professor of Psychology and Director of the Survey Research Centre, Institute of Social Research, University of Michigan, had some interesting predictions on what lies ahead for those in the personnel field. Although they discussed the subject in different terms and approached the topic from divergent angles, both Toulouse and

Lawler left no doubt that the name of the game was going to be job enrichment.

According to Toulouse, people have begun to realize that working should be a satisfying experience and this concern for the quality of their working life would become even more evident. To underscore his point, he predicted that businesses in the future may even be called upon to issue a *social as*

...union officials... "will be required to use management skills in the future, and this will not be easy..."

well as a financial statement at year's end. He saw a trend toward more worker participation in management and away from the traditional bureaucratic type of organization. He decried the lack of human resource assessment and stated that manpower planning was the weakest spot in personnel management.

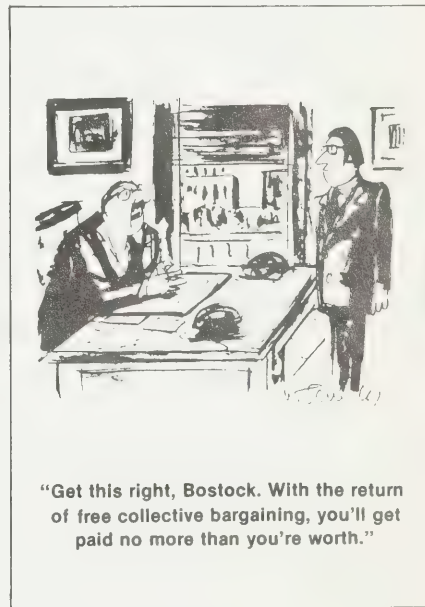
The planning of human resources and quality of working life were also very much on Lawler's mind as he predicted that workers were definitely going to demand a greater share of the action. "They are better educated, have higher expectations and are more self-oriented," he said. He also added that workers were going to demand more choice in how they were treated. He projected that fringe benefits would take the form of less rigid working conditions such as more flexible hours and place of work, shared work, part-time work and lump salary increases.

But where does all this leave the personnel managers of the future? Are they going to be able to cope with a work force which is so diverse, a work force in which

there will be more young people, more women, all better educated and all expecting more job satisfaction than ever before? Well, according to Drs. Toulouse and Lawler, personnel managers in the future will need to be better qualified and more innovative and will also need greater administrative skills. They were also advised to become more involved and have more to say in the overall design of the management structure if possible. The inference was that if they took part in the decision-making process of their organizations they could act instead of react to new situations.

Lawler expressed the opinion that we would see an end to the traditional roles played by unions. There would be more co-operation between unions and management and unions would become more involved in decision-making. He warned that this might make some union officials feel threatened. "They will be required to use *management* skills in the future, and this will not be easy because most unionists have been trained in the adversary role," he said. [9]

Punch-Rothco



Labour legislation in Canada, 1977

Part 3: Occupational safety and health

by Michel Gauvin

During 1977, various changes were made across the country to the occupational safety and health legislation. Among these changes, Saskatchewan passed the Occupational Health and Safety Act, 1977, Manitoba put into force its Workplace Safety and Health Act, and British Columbia revised its regulations dealing with industrial health and safety issued under the Workers' Compensation Act.

General safety and health

Saskatchewan passed a new Act, the Occupational Health and Safety Act, 1977, which came into force on October 29, 1977. This Act replaced the Mines Regulation Act and the Occupational Health Act, 1972.

The Occupational Health and Safety Division established by the former legislation continues without substantial change in its duties. However, its powers have been broadened somewhat — it can now provide services to assist self-employed persons and occupational health committees, and it can encourage or conduct educational programs which include seminars and courses of training. Also, a new provision gives it limited authority to make grants, subject to regulation by the Lieutenant-Governor in Council.

The Occupational Health Council provided in the Occupational Health Act, 1972, continues as the

Occupational Health and Safety Council.

The new Occupational Health and Safety Act, 1977, includes a provision which gives an occupational health officer authority to issue an official "notice of contravention" when violations of the Act or regulations occur. It sets forth the conditions under which such notices may be issued and prescribes their contents with respect to correcting contraventions within a given period of time, depending on the degree of hazard created by the contravention.

The 1972 Act was silent about procedures for identifying violations of the Act or regulations and securing compliance, other than by prosecution. The Minister of Labour was given certain authority to issue orders when he believed a risk of injury or ill-health existed, but this was an inappropriate mechanism for securing timely corrections to prevent such risks from arising. The new legislative approach outlined above is comparable to what is already done in most Canadian jurisdictions.

If any information is needed by the Occupational Health and Safety Division to perform its duties and exercise its powers, the Division's director may order anyone to give him or her whatever information he or she requires within a time frame which he or she may specify.

As in the 1972 Act, the 1977 Act

requires an occupational health committee to be established at every place of employment having ten or more workers.

The legislation dealing with a worker's right to refuse dangerous work is substantially the same as the provisions that existed before under the Labour Standards Act, 1969, following amendments made in 1973.

The new Act allows a worker to refuse to do any task or series of tasks at work which he has reasonable grounds to believe are unusually dangerous to his own, or anyone else's, health or safety. He may do this until sufficient steps have been taken to satisfy him otherwise, or until the occupational health committee or an occupational health officer has investigated the matter and advised him that there is no unusual danger.

No discriminatory action may be taken against any worker because he has exercised the right to refuse an unusually dangerous task. Where discriminatory action is taken against a worker who has exercised this right, there is a presumption in favour of the worker that the discriminatory action was taken for that reason, and the onus is upon the employer to establish that the worker was discriminated against for good and sufficient other reason.

Notwithstanding any provision of the Act, the worker may be temporarily assigned to alternative work

at the same pay until the matter (refusal to do unusually dangerous tasks) is resolved and this does not constitute discriminatory action.

Where an employer is convicted of taking discriminatory action against a worker contrary to any provision of the Act, the convicting provincial magistrate must order:

- 1) the employer to cease the discriminatory action and to reinstate the worker to his former employment under the same terms and conditions as before;
- 2) the employer to pay the worker any wages he would have earned had he not been wrongfully discriminated against; and
- 3) the removal of any reprimand or other reference to the matter in the employer's records on the worker.

Where the director of the Occupational Health and Safety Division is advised by the chief occupational medical officer that a worker has been over-exposed to a harmful substance and that temporary removal from the hazard will enable the worker to resume his usual work, the director may order the employer to provide, without loss of pay to the worker, temporary alternative work which he considers suitable, for a period of time which he may specify.

Offences are specifically stated in the Act and differing penalties are established according to the seriousness of the offence.

Where an individual is convicted of an offence under the Act, the convicting provincial magistrate may, in addition to imposing a fine, order the convicted person to be imprisoned for up to two years.

Where a corporation has committed an offence against the Act, an officer, director, manager or agent of the corporation who directed, authorized or participated in the commission of the offence is liable on summary conviction to the penalties applicable to individuals under the Act, whether or not the corporation has been prosecuted.

British Columbia adopted new Industrial Health and Safety Regulations under the Workers' Compensation Act. Effective January 1, 1978, they replace the Accident Prevention Regulations and the regulations dealing with compressed air and submarine diving.

Extensive revisions and additions have been made to the regulations.

They are the result of more than three years of preparation by the Workers' Compensation Board's Accident Prevention and Industrial Hygiene Departments, in co-operation with management and labour.

Many sections of the regulations have undergone major revision and the following are new:

- Accident reports and investigations
- Underwater diving
- Health hazards and work environment controls
- Metal cleaning, abrasive blasting, chemical treating, plating and similar operations
- Garages and vehicle repair shops



" NIGHT WATCHMAN SPURGEON CHECKING OUT "

- Aircraft operations
- Asbestos
- Operations involving lead and lead compounds
- Plastics and resins
- Work in compressed air
- Laboratories

The following sections are not new but have been rewritten or revised extensively:

- Welding, burning and soldering
- Underground workings
- Control of rock dust
- Logging

The new regulations stipulate that no person may carry out or cause to be carried out any work process or may operate or cause to be operated any tool, appliance or equipment when it is reasonably foreseeable that to do so would create an imminent danger to his health or safety or to that of any other worker. An "imminent danger" is defined as a danger which is not normal for a particular occupation, or a danger under which a person engaged in that occupation would not normally carry out his work.

In **Manitoba**, the Workplace Safety and Health Act described in last year's article (L.G., July 1977, p.321) became effective on September 1, 1977, by virtue of a proclamation. A new Workplace Safety and Health Division has been established within the Department of Labour to implement the Act.

Several regulations which were formerly under the Employment Safety Act, the Workers' Compen-

sation Act or the Public Health Act have been reissued under the Workplace Safety and Health Act. They relate to

- the proper protection against injury of workers in workplaces, and the protection of other persons from risks to their safety or health arising out of activities in workplaces;
- derricks, cranes and other hoisting equipment;
- spray painting in workplaces;
- first aid requirements;
- the protection of persons engaged in any industrial process, particularly processes involving the use or manufacture of lead or benzol;
- workers employed in certain industries in which fibrosis (including silicosis) may be contracted;
- sanitary and hygienic welfare.

New regulations have been issued under the Manitoba Workplace Safety and Health Act and under the **Alberta** Occupational Health and Safety Act designating work sites where occupational safety and health committees must be established. In both provinces, regulations have also been adopted relating to the composition and functioning of the committees. In Manitoba, the organization, concerns and procedures of workplace safety and health committees must accord with the principles described in the appropriate Code of Practice published and amended from time to time in the *Manitoba Gazette*.

On December 21, 1976, **Nova Scotia** approved Occupational Health Regulations under the Health Act; these regulations have

been adopted under five other acts — the Industrial Safety Act, the Construction Safety Act, the Coal Mines Regulation Act, the Metalliferous Mines and Quarries Regulation Act and the Mineral Resources Act.

The regulations apply to any undertaking in which one or more persons are employed and to all occupational groups.

Provisions are made for the enforcement of the regulations including the appointment of inspection officers.

According to the regulations, the Occupational Health Standards relating to gases, vapours, mists, fumes, smoke, dust and other chemical substances and physical agents must be as listed in the Threshold Limit Values for chemical substances and physical agents for 1976, published by the American Conference of Governmental Industrial Hygienists and its subsequent amendments or revisions.

A section of **Ontario's** Employees' Health and Safety Act, 1976, dealing with occupational health and safety data that the Workmen's Compensation Board may be requested to furnish, has been in force since July 1, 1977.

Upon the request of an employee or a trade union, the Board must send to the appropriate employer an annual summary of data relating to him, dealing with work accidents and occupational illnesses statistics as enumerated in the Act.

Upon receipt of the annual summary, the employer must furnish a copy to the joint health and safety committee, if any, and to any trade union concerned. Where there is no trade union, a copy must be posted in a conspi-

cuous place or places where it is most likely to be seen by the employees.

Radiation

Newfoundland has enacted the Radiation Health and Safety Act which will come into force on proclamation. The purpose of the Act is to protect the health of persons exposed to radiation and the safety of those employed in connection with the operation and use of the electrical and mechanical components of radiation-producing equipment and associated apparatus.

Mining

Quebec has passed an Act to amend the Mining Act. Effective September 7, 1977, the Act has repealed the provision which prohibited females from working underground in a mine except as engineers or geologists.

A similar provision in **Nova Scotia**

which prohibited women from being employed at any mine except on the surface has been removed from the Metalliferous Mines and Quarries Regulation Act.

Quebec has also adopted new standards for the concentration of asbestos and crystalline silica dust in the air, within mines. These standards, which are expressed in technical terms, became law following their publication in the *Quebec Official Gazette* on August 3, 1977.

Boilers and Pressure Vessels


In **Saskatchewan**, a new Boiler and Pressure Vessel Act, 1977, became effective on July 1, 1977.

Prince Edward Island enacted the Power Engineers Act, which replaces the former Act passed in 1972. Assented to on May 13, 1977, the new Act is a revision of the 1972 legislation and will come into force on proclamation.

Electrical Code

In **Quebec**, effective July 27, 1977, the 12th Edition of the Canadian Electrical Code was adopted to ensure better application of the Electricians and Electrical Installations Act and to meet technical developments in the field of electricity. The electrical works for which permits were issued prior to July 27, 1977, may be continued to their termination in accordance with the former Electrical Code.

Fire Code

Manitoba has passed a regulation under the Fires Prevention Act providing for the adoption of a fire code. Effective April 1, 1977, the Manitoba Fire Code enables the province to enforce a uniform, legally established set of standards and requirements relating to fire prevention, fire protection and life safety in buildings. 

Michel Gauvin is a legislation analyst with Labour Canada.

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*.

1976: October.

1977: August, October November.

1978: April, May, June.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

comment

Seniority and affirmative action

I have just finished reading with both interest and concern the article "Equal Rights: Fact or Fantasy?" by Ed Finn (*Labour Gazette*, Volume 78, No. 5, 1978). Finn is a writer whose work I have enjoyed for some years; I respect particularly his refusal to resort to slogans and clichés in his analysis of contemporary dilemmas for those interested in or involved in labour relations in Canada.

It is all the more surprising then that the aforementioned article is both ill-considered and erroneous.

Beyond the homilies of after-dinner party fund raisers and Members of the House of Commons, there lies the reality of unemployment. It is impossible, I submit, to devise a serious equal employment opportunity program if the jobs filled by minorities, such as women, and native people displace an equal number of workers currently in those jobs. To create an unemployed labour force which better conforms to the demographic population mix is hardly an advancement of the cause of women's, minorities', or native peoples' rights.

In addition to full employment, equal opportunity requires that workers receive "equal pay for work of equal value." Finn has quite properly catalogued the inadequacy of present Canadian legislation. He has, however, failed to complete the picture.

There is to my knowledge, only one job evaluation system, the "weighted point rating method," which can provide a methodology for comparing the relative worth of jobs from different job "families."

One might have assumed a government which is committed to the concept of "equal pay for work of equal value" would support such a job evaluation scheme. Instead, we find that in the federal and most provincial governments, the whole area of job evaluation is statutorily excluded from the collective bargaining arena. This state of affairs is unlikely to change. If governments were to take the initiative in this area, it would inevitably cost money. The system of job hierarchies would have to be drastically altered, and I am not aware of a union that has not won some form of "red-circle" protection for workers whose jobs are de-valued. (Wages for undervalued jobs increase but do not decrease for de-valued jobs.) More far reaching changes of this magnitude in the public service could not fail to influence bargaining in the private sector.

Finn has correctly elucidated the primacy of profit in the private sector. Equal rights job evaluation programs will not be implemented because they cost money. And the state is clearly not about to legislate the principle of equal value and set up the machinery for its implementation.

How should unions react to proposals from governments or

employers for the implementation of affirmative action programs designed to create equal employment opportunity? They should endorse such programs, provided that no sections of the collective agreement are weakened.

Unions should never, given the present climate, erode seniority clauses. Indeed, contrary to Finn's advocacy of government legislation designed to weaken seniority provisions, nothing could be more counter-productive; both for the union and for the very women, native people and minority groups that should be the beneficiaries of such a program. In the present situation, unions must oppose these legislative intrusions into the area of collective bargaining.

Finn is correct when he asserts that unions will not voluntarily waive seniority provisions. Indeed, why should they? Seniority provisions have been one of the few areas in which unions have eroded management rights with respect to discharge and layoffs. The primacy of seniority is felt in the area of layoffs. The longer one vests with the company or employer, the greater the job security. This protection becomes doubly important in times of economic recession.

Without near-full or full employment, any tampering with seniority provisions will put newer workers to work at the expense of older workers.

The result is predictable. Sexist

and racist tendencies will not be eradicated; if anything, they will grow. Progressive union leaders seriously committed to the education of the rank and file will be powerless to stop it.

Recently, I was one of the negotiators for a joint council of unions trying to implement an affirmative action program. The employer was a quasi government body and its officers extremely enlightened and reasonable. In our past two sets of negotiations the council of unions was asked by the employer to waive "seniority" provisions in order to implement the plan. This was a difficult decision to make; it split the committee for a time. The unions had in the first year decided out of fear that (a) the membership would reject the contract; and (b) the successful candidates under the affirmative action program would face hostility and prejudice which would create divisions within the union's regular members and affirmative action members.

This past year, we did not reject the employer's proposal out of hand. We agreed that we could waive seniority provisions provided that the employer agreed to protect all existing workers against lay-offs, agreed to change to a jointly devised and administered job evaluation scheme, and agreed to set certain base wage levels based upon the plan and not the market place. The employer immediately withdrew the demand, the price being too great.

Some useful things could be done in such areas as employer-union internal education programs, maternity leave, paid educational leave, women's committees, reduction of discriminatory qualifications for hirings and promotions, work-place pre-school centres, modified work weeks and flexible hours, language classes, employee

assistance programs, broader recruiting methods, alteration of physical lay-out for handicapped workers, and so on.

These areas will, in the present economic climate, have a far greater impact on the employment fortunes of women, native people, and minority groups than will tampering with seniority provisions. Seniority, after all, has no sex or racial bias. The very groups who do not have it will, once hired, be protected by it. The important thing is that those suffering discrimination obtain the benefits of employment in an organized enterprise. The seniority provisions of the collective agreement will then protect them.

I am not one who advocates that governments should never change the collective bargaining process

through legislation. There are times when it is both inevitable and desirable. Witness the recent changes in the B.C. Labour Code which entitled probationary employees to redress through the grievance procedure, irrespective of the contractual exclusions. This was a good change.

Governmental weakening of seniority provisions is most undesirable, and all thinking trade unionists must oppose any invitation for its implementation.

P.V. Dent,
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The foregoing opinions are not necessarily those of the RNABC Labour Relations Division.

Tripartism and productivity — a businessman's view

Obviously productivity is a critical determinant of how well we fare economically as a nation. Consequently, an important national goal must be to increase productivity. But accomplishing this goal requires process change.

In considering process change and in particular the need to reduce tensions among the major constituencies in our society, I am struck by an observation of the British essayist William Hazlitt: "Man is the only animal that laughs and weeps; for he is the only animal that is struck with the difference between what things are and what they ought to be." If ever there was a set of relationships gone awry, it is the process of government-labour-management interaction in Canada today.

A question worth exploring briefly

is this: Would some form of tripartism be useful in improving relationships among the three key constituencies in our society and in managing more effectively the societal tradeoff between productivity and equity? By this I mean managing the bargain, which every society from the beginning of time has had to strike, between volume of goods and services produced and its distribution among the members of that society.

The answer depends on both our definition of tripartism and our expectations for it. Does it mean nothing more than more intensive and better informed consultation among the players in the complex game already being played? Or is power to be shared in a new and different game?

It is difficult to see how any reasonable person can object to more and better consultation among government, business and labour. To say that the relationship

has been poisoned by an overdose of distrust, hostility and endless recriminations is to state the painfully obvious.

Our adversarial system of labour-management relations, already rusty, is in danger of seizing up altogether unless there are more effective mechanisms for getting the issues out on the table at regional and national levels. If spokesmen for the three major constituencies in the economic game rub shoulders frequently enough in a forum that encourages lively discussion of the issues and the alternatives, only good can come of it.

Similarly, it should not be too difficult to get the players to agree on a common data base. What could be more frustrating and pointless than a politician, a labour leader and a businessman arguing over a simple statistic like the level of unemployment or the number of man-days lost through strikes? The numbers themselves are disputed while interpretation is endlessly "unagreed." All too many economic forecasts are made with the best interests at heart of the constituency standing behind the forecast. I hasten to add that I am not talking about deliberate distortion but it's hard to keep a little bias out of anything produced to support an advocacy position.

This is where a technique used in West Germany might be applied successfully in Canada. West Germany's Council of Economic Advisers, more popularly known as the Five Wise Men, publishes economic forecasts that are widely accepted by both labour and management and are also used by government as a foundation for policy-making. This independent panel of members with national reputations reviews the state of the economy and makes regular

economic predictions with emphasis on the short run.

But to many, and perhaps to most, tripartism means more than an agreed-upon data base and the rubbing together in informed debate of the shoulders of the principal players in the game. Some urge, others fear, a tripartism in which government would draw more fully labour and management into the economic policy-making process. Bargains would be struck and the economic pie sliced accordingly. The discord of negotiating 10,000 collective agreements would be muted by an overlay of consensus and compromise reached through economic summity. Oversimplified and in barest terms, that is tripartism as some would have it.

There are two solid reasons why this is not acceptable to the great majority of Canadians at this time. First, it largely excludes from power many other constituencies, including consumers, small businessmen, the unorganized worker, the retired, the unemployed. The question is this: Can we devise

safeguards to provide reasonable assurance that the benefits of a more harmonious relationship among big government, big business and big labour will exceed the additional costs passed on to the rest of the society out of their three-way partnership. The second and still broader objection is that tripartism could lead in time to a form of economic management that would be tidier, more efficient, and less riddled with inconsistencies, but would be less democratic, or, in other words, more authoritarian.

Finally, theory aside, the chances of tripartism finding acceptance in the short run are slight for the practical reason that there is no consensus in favour of tripartism within any of the three concerned constituencies.

Over the long run, however, we must extricate ourselves from the industrial stalemate in which we find ourselves. The adversarial system of labour-management relations must be modified in important ways. Canadians will accept change but only cautiously and in small increments. Therefore, we should begin with modest goals. More consultation, a common data base, and quality-of-work-life improvements at the level of the factory floor are remedial steps that should be taken and evaluated for a time before anything more ambitious is considered seriously.

Some day, however, some form of tripartism will almost certainly be necessary. The adversarial tradition is deeply rooted, but unless we do a vastly better job of getting labour and management and government to pull in the same direction, Canada will continue inexorably down the road to industrial mediocrity, bickering all the way.

William A. Dimma

President, Torstar Corporation



Books

At the Point of Discharge

by **Bruce Young**, The Canada Labour Views Co. Limited, Toronto, 1978; 295pp.

This book provides a comprehensive analysis of the arbitral jurisprudence that has developed in recent years concerning disciplinary actions, including dismissal from employment. Well researched and documented, it provides a reasonably concise discussion of the issues that emerge in dismissal grievances within twenty-two categories, devoting a brief chapter to each. Chapter one offers a brief summary of the history of arbitral jurisprudence in Canada.

The format of the book, as well as the analytical approach to the cases cited indicates that the author intended the book to be useful to the expected clientele which would include a wide range of lawyers, academics, labour journalists and other such individuals who are involved in grievance arbitration in some direct capacity as active participants or professional observers. The author suggests that the book might also be useful to foremen and grievance committee chairmen in that a careful reading of the appropriate chapter should enhance the understanding necessary to make a sensible decision concerning how far a grievance should be allowed to go, and if it does proceed to arbitration, what lines of arguments will emerge, and what decision will likely be rendered. This

latter is not an unreasonable expectation because the book fairly accomplishes a most difficult task of authorship in that it presents its subject matter in such a way that the lines of analysis and argument are made comprehensible without an undue reliance on academic jargon and legalese.

From publishing houses there is a continual flood of books covering various aspects of industrial organizations and management practice that attempt to appeal to every possible audience, the professional counsel and consultant, the foreman and steward, the manager, as well as the considerable academic market. So many such books offer little more than a rather superficial discussion of the obvious, loaded with sufficient 'academic' language to give the appearance of deep scholarly research and analysis. It is therefore a pleasant experience to read Young's book, which works because its treatment of the material is properly grounded in the appropriate case data, and because the language is, to the extent that the complexities and subtleties of the ideas reasonably allow, simple and straightforward.

Inevitably, there is a limitation that the author of a book such as this imposes on himself. In the space of twenty pages it is obviously impossible to present a comprehensive history and analysis of the arbitration process and arbitral jurisprudence that has developed in Canada; even of that part of it that is particularly relevant to

disciplinary and discharge grievances. But the summary history that is offered is sound even though it is necessarily skeletal.

The treatment of the issues selected ranges from the fundamental and general such as the discussion of the various points of view concerning the burden of proof in the chapter on Dishonesty, to the specifics of behaviour that borders on the frivolous such as in the chapter on Horseplay. Once the reader has identified the central issues of a grievance, the organization of the book offers a summary of the representative selection of pertinent cases with an elucidation of the principles and range of decisions that the current consensus would likely support. The person who holds the major responsibility for formulating and presenting a case before a Board of Arbitration will want to consult other works which collectively make available other material and insights that are both broader and technically more specific.* Such readers will, however, be grateful that such a useful point of departure has been provided here on the many aspects of dismissal. For those whose roles are more peripheral to the conduct of the arbitration hearing,

* There have been, in the last year or two, several excellent contributions to the body of literature dealing with labour arbitration in Canada. To mention three: Donald J.M. Brown and David M. Beatty, *Canadian Labour Arbitration*, Canada Law Book Limited, Agincourt, Ontario, 1977; Earl Edward Palmer, *Collective Agreement Arbitration*, Butterworths and Co. (Canada) Ltd., Toronto, 1978; John P. Sanderson, *Labour Arbitrations and All That*, Richard DeBoo Limited, Toronto, 1976.

New solutions to people problems

Managers today are finding that because of a changing work ethic and new organizational needs, many of yesterday's sure-fire solutions to personnel problems are no longer effective. That theme pervades the readings in ***Adapting to a Changing World***, a special edition of *The Labour Gazette*. The

book examines the quality-of-working-life concept (QWL) and describes various initiatives involving employee participation in workplace decisions. Copies of this attractively bound and designed 92-page paperback may be ordered at \$1.00 each from Publishing Division, Supply and Services Canada, Ottawa, K1A 0S9. Cheques should be payable to the Receiver General for Canada.

such as the majority of management and union officials, this book, in itself, would provide a sufficient understanding of the issues of substance that are likely to arise in a dismissal case at arbitration.

The one fairly substantial criticism I have of the book has to do with the lack of a comprehensive index. It would have been useful if the cases had been indexed, separately and by issue. I realize the chapterization is such that the book is organized around particular issues, but such categorization, though useful, is essentially an artificial imposition and some opportunity for easy cross-referencing would have been useful.

The subject matter and its treatment make appropriate some personal comments concerning the importance of studies of rights dispute resolution to the development of a more valid understanding of the day-to-day workings of the Canadian industrial relations system. The truth is that workers and managements resolve the vast majority of differences that emerge between them in a fairly orderly fashion through a quasi-judicial system that is largely self-administered, and which frequently exemplifies the best and valued traditions of a liberal democracy.

The toughest of these differences flow from managerial authority and the need to impose disciplinary sanctions. The heart of the managerial task of directing an organization is the requirement that it give proper instructions with the expectation that they will be carried out. The heart of the worker's interest is his need for physical and economic security in a job that he can perform competently, hopefully with some measure of personal satisfaction. The test of the workability of the values of our industrial order is not on the picket line but at that point in the employment relationship when a dispute emerges concerning a decision by the employer that his interest dictates that he must, and his reading of the reciprocal array of rights and obligations leads him to conclude that he may, discharge a worker. Managements and trade unions share many interests, but situations arise concerning which differing points of view are inevitable. Perhaps the most fundamental dispute, often dramatic, sometimes tragic, is at the point of discharge.

Bruce Young's book represents a useful addition to the growing list of books that deal with important specific aspects of the Canadian industrial relations system.

P.Y. Walmsley

Women as Third-party Neutrals: Gaining acceptability

Barbara M. Wertheimer and Anne H. Nelson, editors, New York State School of Industrial and Labor Relations, Cornell University, 1978, 55pp.

This little publication raises an interesting suggestion: Why not relieve the current shortage of acceptable arbitrators by attracting more women into the field? It also indicates that the main "why not?" is sex stereotyping.

The booklet presents the proceedings of a day-long conference on women as third-party neutrals — fact-finders, mediators, conciliators and arbitrators — sponsored jointly by the American Arbitration Association and the Institute for Education and Research on Women and Work. The speakers were mostly women who had gained acceptability as third-party neutrals through a variety of routes — law, business, academia, apprenticeship and special training. They concluded that a special program is needed to combine instruction for women with actual experience in the field, and two conference participants, Robert Coulson, president of the association, and Lois Gray, dean of extension and public services at Cornell University's New York State School of Industrial and Labor Relations, agreed to develop such a program.

The conference participants were advised about the competence they would have to develop in both law and labour relations and collective bargaining — competence also required of male neutrals. Some speakers were optimistic, among them Judith Vladeck, an experienced arbitrator who said the United States is entering a new era in which women are gaining acceptability more and more not

only as arbitrators but also as management and labour representatives before arbitrators. Optimism was also expressed by Jean McKelvey, professor emeritus at the New York State School. However, she warned participants not to put too much stress on "acceptability" and too little on "competence." Women, she said, could not have one without the other.

The question of stereotyping was raised by Eva Robins, a New York arbitrator. She said that when she was being interviewed for a state

mediator's job the chairman of the mediation board asked her countless questions about her ability to stay up all night, to manage with "rough people" and to "take all that swearing" — even though her record showed she had represented the industry in contract negotiations with a large number of unions.

Canada, of course, shares the U.S. problem of too few arbitrators to meet the country's needs, and would do well to explore the possibility of encouraging more women to fill the gap, as the Ontario

Education Relations Commission has done in its training program.

No doubt the problem of overcoming sex stereotyping will have to be tackled in Canada, too. And no doubt Canadians will share the experience of Ida Klaus, a member of the U.S. Public Employment Relations Board, who told the conference it took her 40 years of work to find acceptability as a third-party neutral.

Roy LaBerge

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Affirmative Action

Equality of opportunity: the emerging challenge in employment. Edited by Susan Peterson and Leslie Ann Ferrari. Ottawa, Compensation Research Centre, Conference Board in Canada, 1978. 20p.

Collective Bargaining

Jenkins, Clive. *Collective bargaining: what you always wanted to know about trade unions and never*

dared to ask, by Clive Jenkins and Barrie Sherman. London, Routledge & Kegan Paul, 1977. 156p.

Discusses the nature of British trade unions, focusing on a union's work at local and national levels, when dealing with an employers' federation, and with various types of employers. Deals with the effect of recent legislation on collective bargaining; the topics of collective bargaining, such as recognition, the wage package and pensions; redundancy; and multinational corporations. Examines all recent British legislation affecting bargaining and unions.

Peterson, Richard Byron. *Models of the bargaining process: with special reference to collective bargaining*, by Richard B. Peterson and Lane Tracy. Seattle, Wash., Graduate School of Business

Administration, University of Washington, 1977. 81p.

Phillips, Gerald E. *The practice of labour relations and collective bargaining in Canada.* Toronto, Butterworth, 1977. 266p.

An introductory text on labour relations and collective bargaining in Canada. A listing of advanced readings is provided at the end of each chapter. Includes a series of assignments designed to provide an "experiential" approach to the study of labour relations.

Corporations, International

Bomers, G.B.J. *Multinational corporations and industrial relations; a comparative study of West Germany and the Netherlands.* Assen, Van Gorcum, 1976. 226p.

Examines the effects of multina-

tional corporations on the existing industrial relations systems and practices in the two countries studied; the effects on employment levels and structures; and the effects on union perceptions and strategies.

Employees-Dismissal

Young, Bruce. *At the point of discharge.* Toronto, Canada Labour Views Co., 1978. 295p.

Employees' Benefit Plans

Conference Board. *Rethinking employee benefits assumptions.* Edited by David A. Weeks. New York, 1978. 97p.

Hours of Labour-Reduction

Levitan, Sar A. *Shorter hours, shorter weeks: spreading the work to reduce unemployment,* by Sar A. Levitan and Richard S. Belous. Baltimore, Johns Hopkins University Press, 1977. 94p.

U.S. National Commission for Manpower Policy. *Adjusting hours to increase jobs; an analysis of the options,* by Robert Clark. Washington, 1977. 64p.

Humanization of Work

Humanizing the workplace; new proposals and perspectives. Edited by Richard N. Ottaway. London, Croom Helm, 1977. 175p.

A collection of papers on various aspects of work humanization. Topics include organizational change; technological change; computers; ideological barriers to the humanization of work; worker education; management education methods for humanizing the workplace; new management attitudes;

the role of unions in work humanization.

Industrial Democracy

Smith, Cyril. *Industrial participation.* London, McGraw-Hill, 1977. 174p.

Argues for a British system of industrial democracy that would include all workers, both unionized and non-unionized. Explains current proposals for the establishment of workplace councils and profit-sharing schemes, and of a scheme for employees to take part in the election of company directors. Includes chapters on worker co-operatives, industrial participation in the nationalized industries, and a survey of worker participation schemes in the EEC.

Industrial Disputes

Gennard, John. *Financing strikers.* New York, Wiley, 1977. 184p.

Examines the range of finance available in the U.S. to those involved in industrial disputes. Comparisons are made with provisions and experience in other countries. Concludes that state benefit has not been an important source of finance for strike behaviour.

Industrial Relations

Jackson, Michael Peart. *Industrial relations; a textbook.* London, Croom Helm, 1977. 281p.

An introduction to the main areas of interest in British industrial relations. Examines the development, aims and government of unions, the growth and management of the business enterprise, employers' associations, industrial democracy, collective bargaining,

local and productivity bargaining, industrial conflict, and the role of the state in industrial relations. Uses comparisons from North America, Europe and Australia. Attempts to merge theoretical considerations of the subject with the information presented.

McMurray, David. *Current economic and industrial relations indicators.* Kingston, Industrial Relations Centre, Queen's University, 1978. 38p.

Provides 1977 data on labour output and income; labour market; prices; profits; wages, earnings and benefits; productivity and labour costs; and collective bargaining and industrial relations for Canada and the U.S. Indicates annual percentage change or rate from 1975.

Labour Laws and Legislation

Kahn-Freund, Otto. *Labour and the law.* 2d ed. London, Stevens & Sons, 1977. 296p.

Emphasizes general principles and tendencies of British labour law rather than details of statutes or case law. Does not deal with the contract of employment, redundancy payment or certain aspects of unfair dismissal law.

Labour Organization

Caille, Marcel. *Les truands du patronat,* par Marcel Caille avec la collaboration de Dominique Decèze. Préface de Georges Séguy. Paris, Éditions sociales, 1977. 305p.

Pensions

Canada. Department of Labour. *The pensions booklet.* Ottawa, Supply and Services Canada, 1978.

Titre en français: Brochure sur les pensions.

Summarizes the Canadian retirement income system, with major attention given to private pension plans. Discusses the types of private plans, regulation of pension plans, and current pension issues such as the number of persons covered by private plans, preserving pension benefits when changing employers, retirement age, size of benefits, and preserving the value of pensions against the effects of inflation.

Canadian Union of Public

Employees. Ontario Division. *Brief to the Royal Commission on the Status of Pensions in Ontario.* Toronto, 1977. 192p.

Pesando, James E. *Private pensions in an inflationary climate: limitations and policy alternatives.* Ottawa, Economic Council of Canada, 1978. 89p.

Wage Differentials

Tandon, Bankey Behari. *An empirical analysis of earnings of foreign-born and native-born*

Canadians. Kingston, Ont., Queen's University, 1977. 166p.

Examines the differences in earnings of foreign-born and native-born Canadians and attempts to explain these differences. Examines, with respect to earnings, the marginal effect of Canadian experience compared to that of foreign experience; the effect of foreign experience in technologically advanced countries compared to experience in less developed countries; and the effect of length of Canadian residence.

PRICES, EMPLOYMENT, AND EARNINGS

**THE LABOUR MARKET
— JUNE, 1978**

SEASONALLY ADJUSTED DATA

The unemployment rate remained unchanged at 8.6 per cent for the fourth consecutive month. The growth of employment (0.5 per cent) was relatively strong, and growth in the labour force (0.4 per cent) was at about the same pace, as the participation rate moved up slightly to a new record of 62.6 per cent.

Employment in the *second quarter* of the year was 1.0 per cent higher than the previous quarter, a slightly faster growth than the 0.9 per cent increase of the first quarter. Most of the second quarter gain was among adult women (2.2 per cent) followed by youths (1.1 per cent), while adult men (0.3 per cent) advanced comparatively slowly.

The *unemployment rate* for the adult male group has remained at 5.4 per cent since April. In contrast, the adult female and youth rates have fluctuated substantially over the last three months, both falling in April, rising in May, and falling again in June. In June the rate for adult females stood at 7.9 per cent and the rate for youths at 14.7 per cent.

Regionally, the gain in employment was reflected mainly in the Atlantic region (1.1 per cent) and British Columbia (1.0 per cent). However, in May, these two regions recorded declines in employment. In the Prairies, employment declined slightly (-0.1 per cent) after increasing in May. In Quebec, there was virtually no change in June following a substantial increase in May, and an increase in Ontario (0.6 per cent) was preceded by no significant change in May.

Regional unemployment rates were lower in all regions except the Prairies, where it remained unchanged (at 5.2 per cent) as both employment and the labour force declined. In Quebec (at 11.4 per cent), and Ontario (at 7.4 per cent) the unemployment rates declined 0.1 percentage point. In British Columbia (at 7.8 per cent) it fell 0.2 points, and in the Maritimes (at 12.4 per cent) the drop was 0.6 points. In the four regions declines occurred as a result of growth in employment exceeding that of the labour force.

UNADJUSTED DATA

The *actual* number of unemployed was 903,000 in June, 1978, 89,000 higher than a year ago, as employment (10,400,000) increased by 356,000 or 3.5 per cent and the labour force (11,304,000) increased by 446,000, or 4.1 per cent. The

actual unemployment rate was 8.0 per cent in June 1978, compared with 8.4 per cent in May and 7.5 per cent in June, 1977.

THE CONSUMER PRICE INDEX — JUNE 1978

The Consumer Price Index increased by 0.9 per cent in June to 175.1 (1971 = 100), from 173.6 in May. This follows a substantial increase of 1.4 per cent between April and May. The year-over-year increase in the CPI continued to accelerate to a 9.2 per cent rate in June, the highest year-over-year increase since the beginning of the year.

Since the fourth quarter of 1976, food prices have been accelerating continuously. In the second quarter of 1978, the food index was 16.5 per cent higher than the same quarter of the previous year, moving up from the 14.1 per cent increase recorded in the first quarter.

Higher food prices have been mainly attributable to increased prices for meat, fruits and vegetables. Beef prices in particular, moved up on a year-over-year basis by 55.8 per cent in the second quarter, compared with 31.7 per cent in the first quarter of the year. Fruits and vegetables (24.6 per cent higher in the second quarter and 22.8 per cent in the first), while increasing less dramatically than meat in recent months, have shown steady increases over the long run. (The June index for fruits and vegetables was 249.7 compared with 218.4 for meat.)

The recent trends described above continued to be reflected in the June figures. *Higher food prices* (an increase of 2.0 per cent between May and June), were mostly responsible for the latest month-to-month increase in the

overall index. Beef prices were up 11.1 per cent over the month and 70.3 per cent from June, 1977. Higher prices for pork and other meats, as well as for some dairy products also had a notable impact on the May-June increases. While fresh fruit prices continued to increase, a significant reduction in the prices for fresh vegetables (-10.8 per cent over the month) had some mitigating effects on the food component.

An increase of 0.4 per cent between May and June in the *all-items excluding food index* was mainly attributable to the increase in the housing component, primarily the result of increased home ownership costs. In contrast, the charges for household operation (the other main portion of the housing component) moderated somewhat, due to a slight decrease in the costs for fuel and utilities. Other factors contributing to the June increase were higher prices for new cars and selected clothing items. Gasoline prices and automobile insurance premiums recorded slight declines.

On a *seasonally adjusted basis* the all-items CPI advanced by 0.6 per cent between May and June. The food index advanced 1.3 per cent while non-food rose a moderate 0.3 per cent. The current annual rate of change in the CPI for June based on seasonally adjusted movements in the latest three months was 8.9 per cent, a considerable moderation from the 11.3 per cent recorded in May.

JOB VACANCIES — MAY 1978

Preliminary estimates of the average number of jobs vacant on a daily basis during the three-month period ended May, show an increase of 12 per cent from the previous three-month period. Vacancies for full-time, part-time

and casual jobs were 40,700. Compared with the three-month period a year ago, the number of vacancies decreased by 3,100 or 7 per cent.

Vacancies for full-time jobs increased by 10 per cent to 36,100 from 32,800 in the preceding period. Longer-term vacancies (jobs unfilled for more than four weeks) increased 11 per cent to 12,500.

For every 1,000 existing jobs in the latest three-month period 5 were vacant, an increase of one from the preceding period. There was no change in the vacancy rate from the comparable period in 1977. The highest vacancy rates were observed in Alberta (9 per 1,000), Saskatchewan (6 per 1,000) and Manitoba (5 per 1,000). The lowest rate (3 per 1,000) occurred in Nova Scotia and New Brunswick.

EARNINGS AND INCOME — APRIL 1978

Preliminary estimates of *average weekly earnings* of the industrial composite for April, 1978, increased by 0.4 per cent (on a seasonally-adjusted basis) from March. All regions participated in the increase. Four industries *declined*. These were: forestry, mining, trade and service. The other industries recorded increases.

On an *unadjusted basis*, average weekly earnings for the industrial composite increased by 6.2 per cent to \$262.09 in April, 1978, from \$246.43 in April, 1977. In real terms, this amounted to a *decrease* of 2.5 per cent. The largest gain was recorded in manufacturing: 8.1 per cent on a year-over-year basis to \$283.83 in April, 1978. In construction the increase was 5.7 per cent to \$382.93. On a

regional basis earnings in Quebec continued to increase at the fastest rate. In that region, the year-over-year increase in April, 1978, was 7.6 per cent (to \$258.34), followed by Ontario 6.6 per cent (\$262.36), the Prairie region 5.5 per cent (\$256.82), British Columbia 5.4 per cent (\$295.86) and the Atlantic region 2.7 per cent (\$226.90).

Average hourly earnings, on a seasonally adjusted basis, declined slightly in both manufacturing and construction, but increased in mining (including milling). On the other hand, *average weekly hours* were higher in manufacturing and construction, but were lower in mining (including mining).

Total labour income, unadjusted,

was estimated at \$10.5 billion in April, 1978, an increase of \$844.2 million or 8.7 per cent from April 1977. *Wages and salaries* increased a bit slower: 8.4 per cent or \$755.0 million to \$9.7 billion, of which workers in manufacturing shared an increase of \$180.2 million (or 9.4 per cent).

**STRIKES AND LOCKOUTS
— APRIL 1978**

During April there were 157 work stoppages in progress, 69 of which began during the month. They involved a total of 42,255 workers and resulted in a total loss of 475,580 man-days. The corresponding numbers for March were 148 stoppages, 37,590 workers and 406,510 man-days. Compared with April 1977, there were 148 stop-

pages involving 38,237 workers and resulting in a loss of 329,350 man-hours.

In relation to total estimated working time of non-agricultural paid workers, time lost represented 28 man-days per 10,000 man-days worked, as compared with 22 in March and 20 in April, 1977.

In manufacturing, 147,560 man-days were lost in April, increasing from 136,390 in March. In relation to paid employment, the numbers of man-days were equivalent to 39 per 10,000 workers in April, and 33 in March.

Under federal jurisdiction, there were 15 work stoppages involving 3,746 workers (8.9 per cent of total) and accounting for 37,360 man-days lost (7.8 per cent).

Behrendt-Het Parool, Amsterdam



Hold it and don't move!

labour statistics

LABOUR MARKET

	Seasonally Adjusted					Unadjusted		
	Apr. 1978	May 1978	June 1978	% change ²		June 1977	June 1978	% Change ¹
				May	June			
TOTAL	(numbers in thousands)							
Labour Force	10,931	10,972	11,014	0.4	0.4	10,858	11,034	4.1
Employment	9,996	10,023	10,070	0.3	0.5	10,044	10,400	3.5
Unemployment	935	949	944	0.3	- 0.5	814	903	10.9
Unemployment Rate (%)	8.6	8.6	8.6	—	—	7.5	8.0	—
Participation Rate (%)	62.3	62.5	62.6	—	—	63.0	64.3	—
Both Sexes: 15-24	63.5	64.1	64.2	—	—	68.0	69.3	—
Men:	77.8	77.9	78.1	—	—	79.8	80.3	—
— 25 and over	81.0	80.9	81.3	—	—	81.5	81.9	—
Women:	47.4	47.5	47.7	—	—	46.7	48.7	—
— 25 and over	43.8	43.9	43.9	—	—	42.0	44.0	—
EMPLOYMENT	9,996	10,023	10,070	0.3	0.4	10,044	10,400	3.5
Both Sexes: 15-24	2,472	2,489	2,504	0.7	0.6	2,647	2,721	3.5
Men:	6,174	6,196	6,225	0.4	0.5	6,222	6,457	2.8
— 25 and over	4,835	4,841	4,865	0.1	0.5	4,839	4,948	2.1
Women:	3,822	3,827	3,845	0.1	0.5	3,722	3,043	5.9
— 25 and over	2,689	2,693	2,701	0.1	0.3	2,559	2,732	6.8
Paid Workers	8,990	9,015	9,035	0.3	0.2	9,022	9,306	3.1
— Non-Agriculture	8,868	8,892	8,905	0.3	0.1	8,852	9,156	3.4
In Industries								
Agriculture	453	469	476	3.5	1.5	503	513	2.0
Manufacturing	1,970	1,999	1,998	1.5	- 0.1	1,951	2,045	4.8
Construction	622	625	639	0.5	2.2	709	708	- 0.1
Trade	1,773	1,778	1,781	0.3	0.2	1,696	1,790	5.5
Services	2,829	2,802	2,819	- 1.0	0.6	2,778	2,876	3.5
By Regions								
Atlantic	757	756	764	- 0.1	1.1	781	809	3.6
Quebec	2,538	2,547	2,548	0.4	0.0	2,580	2,634	2.1
Ontario	3,860	3,861	3,885	0.0	0.6	3,849	3,998	3.9
Prairies	1,740	1,758	1,757	1.0	- 0.1	1,735	1,809	4.3
British Columbia	1,108	1,106	1,117	- 0.2	1.0	1,100	1,149	4.5
UNEMPLOYMENT RATE (%)	8.6	8.6	8.6	—	—	7.5	8.0	—
Both Sexes: 15-24	14.8	15.1	14.7	—	—	13.8	14.3	—
Men:	7.9	7.9	7.8	—	—	6.6	7.0	—
— 25 and over	5.4	5.4	5.4	—	—	4.2	4.6	—
Women:	9.6	9.9	9.8	—	—	9.0	9.5	—
— 25 and over	7.8	8.0	7.9	—	—	6.6	7.2	—
By Regions								
Atlantic	13.2	13.0	12.4	—	—	11.4	13.3	—
Quebec	11.2	11.5	11.4	—	—	9.6	11.3	—
Ontario	7.4	7.5	7.4	—	—	6.8	7.3	—
Prairies	5.5	5.2	5.2	—	—	3.7	4.9	—
British Columbia	7.7	8.0	7.8	—	—	7.8	7.6	—
EMPLOYMENT RATIO	57.0	57.1	57.2	—	—	58.3	59.1	—
Both sexes: 15-24	54.1	54.4	54.7	—	—	58.5	59.4	—
Men:	71.6	71.8	72.0	—	—	74.6	74.7	—
— 25 and over	76.6	76.6	76.8	—	—	78.1	78.1	—
Women:	42.9	42.8	43.0	—	—	42.5	44.1	—
— 25 and over	40.4	40.4	40.4	—	—	39.2	40.9	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1978			% Change From Previous Year			Current Annual Rate of Change		
	Apr.	May	June	Apr.	May	June	Apr.	May	June
All-Items (1971 = 100)	171.2	173.6	175.1	8.4	9.0	9.2	8.3	11.3	8.9
Food "	200.4	207.1	211.2	14.7	16.9	17.9	16.6	28.0	26.0
Total Ex-Food "	161.2	162.2	162.8	6.1	6.2	5.9	5.4	5.4	2.5

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Apr. 1977	Apr. 1978P	% change ¹	Feb. 1978P	Mar. 1978P	Apr. 1978P	% change ² Mar.	Apr.
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite	246.43	262.09	6.4	259.84	261.19	262.35	0.5	0.4
Real (\$ 1971)	154.79	150.97	- 2.5	151.98	152.26	151.15	0.2	- 0.7
By Regions:								
Atlantic	220.90	226.90	2.5	227.30	225.06	226.51	0.6	- 0.9
Quebec	240.10	258.34	7.6	256.03	257.12	258.60	0.4	0.6
Ontario	246.05	262.36	6.6	259.91	261.41	262.36	0.4	0.6
Prairies	243.33	256.82	5.5	255.49	256.91	257.13	0.6	0.1
British Columbia	280.59	295.86	5.4	293.89	298.04	300.27	1.4	0.7
Manufacturing:								
Average Weekly Earnings (\$)	262.64	283.83	8.1	279.73	280.36	282.33	0.2	0.7
Average Hourly Earnings (\$)	6.27	6.75	7.7	6.69	6.74	6.73	0.7	0.1
Average Weekly Hours	38.7	39.0	0.8	38.8	39.3	38.8	1.3	- 1.3
Total Labour Income (\$ Million)	9,655.7	10,499.9	8.7	10,509.7	10,575.4	10,644.7	0.6	0.7
Wages and Salaries - Total	8,950.1	9,705.1	8.4	9,714.3	9,775.1	9,839.0	0.6	0.7
— Manufacturing	2,017.9	2,208.1	9.4	2,201.6	2,214.5	2,226.3	0.5	0.6

JOB VACANCIES

	Unadjusted				Three months ending May	Seasonally Adjusted			
	1977			1978		1977			1978
	II	III	IV	I		II	III	IV	I
	(numbers in thousands)								
All categories	49.7	52.7	35.6	37.9	40.7	47.8	42.9	40.5	44.7
Full-time jobs	43.2	45.5	30.9	34.3	36.1	41.5	37.4	35.3	39.7
Long-term vacancies	13.2	15.7	12.1	12.1	12.5	14.4	12.5	13.2	13.4

STRIKES AND LOCKOUTS

	1976		1977				1978		
	III	IV	I	II	III	IV	I	Mar.	Apr.
(Quarterly averages)									
Strikes and Lockouts:									
— Beginning during month	73	56	56	74	69	48	59	66	69
— Existing during month	203	143	118	152	155	111	127	148	157
Workers Involved	112,173	342,621	24,039	36,790	34,813	25,876	30,563	37,590	42,255
Man-days Lost — Total	1,466,900	927,813	200,670	312,263	332,267	257,427	350,563	406,510	475,580
— Manufacturing	501,157	278,540	110,100	207,630	189,653	154,340	119,170	136,390	147,560
Man-days Lost as a % of Estimated Working Time	0.79	0.50	0.11	0.17	0.18	0.14	0.20	0.22	0.28
— Manufacturing	1.18	0.67	0.28	0.52	0.46	0.34	0.31	0.33	0.39

¹Per cent change from previous year.

²Per cent change from previous month.

PPreliminary.

Source: Statistics Canada, *The Labour Force*, Cat. No. 71-001. Statistics Canada, *Employment, Earnings and Hours*. Cat. No. 72-002. Statistics Canada, *Quarterly Report on Job Vacancies*, Cat. No. 71-002, Statistics Canada, *The Consumer Price Index*, 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, APRIL 1978

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1977	739	803	217,557	3,307,880	0.15
1977					
April	78	148	38,237	329,350	0.20
May	73	152	34,893	299,940	0.16
June	71	156	37,241	307,500	0.16
July	55	138	38,802	405,760	0.22
August	76	153	34,522	345,970	0.17
September	75	174	31,114	245,070	0.13
October	56	120	19,716	178,300	0.10
November	55	113	32,154	240,850	0.13
December	32	101	25,758	353,130	0.20
1978(1)					
January	48	96	24,395	365,720	0.21
February	64	138	29,705	278,200	0.16
March	66	148	37,590	406,510	0.22
April	69	157	42,255	475,580	0.28
January-April 1977	246	503	110,355	931,360	0.13
January-April 1978	247	539	133,945	1,526,010	0.22

(1) Preliminary

WORK STOPPAGES BY INDUSTRY, APRIL 1978 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		Duration in man-days (Jan. to April)
		Number	Workers involved	
Agriculture	0	0	0	0
Forestry	3	3	1,810	6,730
Fishing	0	0	0	0
Mines	6	12	10,579	187,770
Manufacturing	31	64	15,618	147,560
Construction	6	9	2,925	7,110
Transp. & Utilities	8	25	3,393	43,290
Trade	5	13	678	4,130
Finance	1	1	69	350
Service	7	22	3,424	30,930
Public Admin.	2	8	3,759	47,710
Various industries	0	0	0	0
TOTAL	69	157	42,255	475,580

WORK STOPPAGES BY JURISDICTION, APRIL, 1978 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		Duration in man-days (Jan. to April)
		Number	Workers involved	
Nfld.	5	7	3,563	64,270
P.E.I.	0	0	0	0
N.S.	2	4	941	14,010
N.B.	8	8	5,173	6,890
Quebec	18	58	14,286	218,570
Ontario	13	33	6,449	63,780
Manitoba	0	0	0	840
Saskatchewan	8	9	1,497	3,510
Alberta	0	5	2,352	43,990
B.C.	10	18	4,248	23,200
Yukon & N.W.T.	0	0	0	0
Total, provinces	64	142	38,509	438,220
Federal Public Service(1)	0	0	0	0
Industries(2)	5	15	3,746	37,360
Federal total	5	15	3,746	37,360
TOTAL	69	157	42,255	475,580

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working Conditions in Canadian Industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1977. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1976 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada.

Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request (Bilingual)). Cat. No. L41-9/1976-1.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1977. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1976. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

The pension booklet. A bilingual guide providing basic information on employer-sponsored pension plans, how they operate and the protection provided by the federal and provincial governments (who share responsibility for regulating private pensions). Available free (Cat. No. L13-10/78) from Public Relations, Labour Canada, Ottawa, Ontario. K1A 0J2.

Collective Bargaining Information Centre. Information pamphlet, bilingual. Available free.

Collective Bargaining Information Sources (Section I). A reference guide to sources of information and data for collective bargaining. Section I, "Compensation", now available. Section II, "Economic Studies"; Section III, "Labour Relations"; and Section IV, "Library Services" — forthcoming. English or French, free.

Occupational safety and health

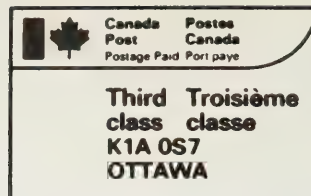
Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Occupational Noise Legislation. Contains the Canadian legislation protecting workers against the harmful effects of noise exposure in workplaces. Included is a table showing the maximum sound level permitted for different periods of exposure. (Available free on request). (Bilingual).

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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ALCOHOLISM...



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**Labour
Canada**

**Travail
Canada**

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Dear Reader,

It is with regret that we announce the discontinuance of ***The Labour Gazette*** and ***La Gazette du Travail***. Owing to budget restrictions, the magazines will not be published beyond November 1978.

Thank you very much for your readership and support.

newsl ine

WAGES

Male-female gap widens

Although Canada has enacted equal-pay laws in every labour relations jurisdiction, the gap between male and female earnings has not decreased and in many occupations is even increasing, according to an analysis of Canadian research on the question.

"Even the most conservative estimates indicate considerable pay discrimination against women," write Naresh C. Agarwal and Harish C. Jain, members of McMaster University's Faculty of Business, in the March-April, 1978, issue of *International Labour Review*.

They find that in all 13 Canadian jurisdictions — federal, provincial and the territories — the definitions of equal pay and equal work are narrower than the definitions in the Equal Remuneration Convention adopted by the ILO in 1951. Only in two jurisdictions — Newfoundland and Ontario — is pay defined to include wages and fringe benefits, they write. "Similarly the definition of equal work is narrower than the ILO Convention's 'work of equal value'."

The studies also suggest that pay discrimination against women is higher in non-clerical, white-collar jobs than in blue-collar ones. "Perhaps this may be explained by

differences in the nature of the pay systems in the two job categories," the authors suggest. "Managements generally enjoy considerable discretion in determining the pay of their white-collar employees, whereas, owing to greater unionization, the rates for blue-collar workers tend to be standardized to a large extent."

THE ECONOMY

Textile industry

A study published by the C.D. Howe Research Institute says there is no likelihood of a major part of the Canadian textile industry becoming "internationally viable" in the sense of being able to survive without import restraints. The study also suggests that a program of phasing out the industry while protecting both workers and capital could cost less in the long run than the present system of protection.

"A phasing out program must be implemented over a period of time long enough to avoid all but the minimum dislocation and hardship, yet short enough to prevent the recruitment of new workers and the investment of new capital into activities that have no competitive future," says the 79-page study report by Caroline Pestieau, entitled *The Quebec Textile Industry in Canada*. "Such a program is not necessarily more costly in terms of national resources than the present system of protection —

over the long run it is almost certainly cheaper — but it is much more visible in terms of government outlays.

The report says experience elsewhere suggests several necessary features for any successful program of "adjustment to the termination of special protection":

- The protection of workers who are genuinely immobile. "Here age is the principal criterion, plus marketable skills and geographical location. With government assistance, immobile workers could be guaranteed pre-retirement pensions equal to their expected earnings as their jobs disappear."
- For firms unable to survive without special protection, disincentives to hire mobile workers. "This implies that when attrition reduces such a firm's work force below an efficient level, the firm will have to close or shift into a different line of business."
- A "generous and effective" retraining and placement program for younger employees who lose their jobs.
- At the company level, disincentives for new firms to get into the production of articles currently subject to special import restraints, and compensation for firms that find themselves obliged to scrap machinery and equipment not fully amortized. "Firms should be able to take advantage of such compensation over a reasonably long, but pre-specified, period of time."

- Assistance to small towns dependent on textile production to attract alternative employment and municipal income. In the absence of alternatives, relocating certain government services to former textile towns might be considered.
- To ensure that consumers benefit as much as possible from ending import restrictions, "measures should be taken to increase competition at the retail level and to provide additional information on retailers' markups over import prices."

The study finds Quebec the principal beneficiary of present protective policies: "On an individual basis, textile employees in Ontario benefit to about the same extent as those in Quebec. But when we take into account the larger number of textile workers in

Quebec and of consumers in Ontario, it is clear that Quebec is the principal beneficiary."

The textile industry — including textile producers and producers of related goods such as clothing and knitted goods — employs about 180,000 Canadian workers, 99,000 of them in Quebec between 1973 and 1976, and while 27 per cent of the province's manufacturing labour force worked in textile or clothing production in 1973, that percentage had dropped to 18 per cent in 1978.

"All Canadians pay a price for maintaining the textile industry by means of tariff and quota protection," the report adds. "There are efficiency costs arising from less-than-optimal use of national resources and consumer costs in the form of higher-than-necessary prices in the stores."

sensus that while there has been a gradual decline in the work ethic, it may not be the prime cause of declining productivity. Many participants agreed with the view that improved management techniques and better supervision are needed to improve communication between management and workers, because of employees' new attitudes toward authority and their changing expectations of involvement in workplace decisions. These expectations, the workshop on quality of working life agreed, will be for more than material awards. There is a growing interest, even among blue-collar workers, in decision making, not only regarding their own jobs but also on first line management policies. However, the workshops produced little evidence that workers in the United States want co-determination in the sense of participation on boards of directors.

PRODUCTIVITY

Impact of unionization

Highly unionized companies suffer less from wage pressures than from productivity losses, according to a study of 1,200 firms conducted by the Strategic Planning Institute of Cambridge, Mass. The institute attributes the lower output to restrictive work rules at unionized firms, and the reluctance of employers to introduce technological change. However, profit declines were not common to all unionized companies. They were reportedly greatest in high-market-share firms in mature, slow-growth industries. In general, companies that were 70 per cent unionized showed profits only 3 percentage points lower than firms where less than 35 per cent of employees were unionized.

QWL improvements needed

Concern about productivity was expressed by participants in a national seminar sponsored by the Work in America Institute. However, there was no sense of crisis or failure, and no tendency to place the burden for declining productivity on workers. Instead, management's role in making better use of human resources was stressed as a key element in raising productivity and improving the quality of working life.

The May 24-26 seminar, at Harriman, N.Y., drew more than 100 people from labour, government, the media and educational and research institutes, to discuss the broad theme. "Work in America, the Decade Ahead," in plenary sessions and five workshops.

Workshop explorations of changed worker attitudes produced a con-

WORKING TIME

Flextime successful

Flextime — or personalized work schedules — has proved to be a boon to both employer and employees since it was introduced for 250 of the 350 head-office employees of Firestone in Hamilton, Ont., three years ago. A report, June 30, in the Hamilton daily, *The Spectator*, lists these results: productivity has increased by 2 to 5 per cent; days off, absenteeism and staff turnover have been reduced by an average 25 per cent; a reduction in paid overtime; and improved employee morale, motivation and relations with managers have resulted.

Another major Hamilton employer, Dofasco, also has adopted flex-time with successful results, and a third, Stelco, is studying its feasibility. [9]

special reports

INDUSTRIAL RELATIONS

Multipartite conference on collective bargaining in the Ontario police force

The key to a more favourable climate for police negotiations may have been found by Dr. Arjun Aggarwal, a specialist in labour law who teaches in the industrial relations program at Confederation College of Applied Arts and Technology in Thunder Bay, Ont. He brought together 75 persons representing all the parties involved in police force collective bargaining in Ontario for what is believed to be the first multipartite conference on the subject ever organized by an educational institution in Canada.

The April 30-May 1 gathering was viewed as successful by all the participants, including Solicitor-General George A. Kerr, and it is expected to be followed by similar conferences elsewhere in Ontario and in other provinces.

Aggarwal has used a similar technique to bring together parties involved in collective bargaining in other areas, including school systems, health services and the federal public service. Union and management representatives have discussed a wide range of topics under his auspices, including workers' share in productivity, strikes and lockouts, industrial health and safety and even labour affairs and the media. He admitted,

however, that academics in the industrial relations field have practically neglected the police forces in planning this kind of educational process. Hence, he said, "this was the first time all the parties involved in police forces got together to discuss issues of common concern in an effort to develop better relations and to improve the collective bargaining process."

The solicitor-general headed an impressive list of expert speakers and workshop leaders, including

James L.L. McIntyre, a member of the Ontario Police Arbitration Commission; Judge T.H. Graham, chairman of the Ontario Police Commission; David Spring, assistant director of legal services in the ministry of the solicitor-general; Dennis R. Latten, administrator of the Ontario Police Association; Judge J.R.H. Kirkpatrick, director of the Association of Municipal Police Governing Authorities; Wallace B. Dubinsky, a Thunder Bay labour lawyer; Gerald Martinuk, a Waterloo lawyer; Ted Johnson, administrator of the



An impressive list of speakers

Niagara Regional Police Association, and Thomas R. Keep, police chief of Thunder Bay and a director of the Ontario Association of Chiefs of Police.

The discussion, held away from the emotional confrontation of the bargaining table, was frank and constructive. This was especially so when the participants were divided into workshops to discuss the conference topics in greater detail than was possible at the plenary question periods. Each workshop, like the conference itself, was representative of the different parties, and each concentrated on a specific topic, whether collective bargaining, grievance and interest arbitrations, proposed changes in the Police Act, or joint consultation and quality of working life.

The participants, without exception, voiced opposition to a proposed change in the Police Act that would establish an independent civilian review board to hear citizens' complaints. Both Keep and Latten said the proposal would subject police officers to harassment and frivolous complaints and adversely affect their motivation for good law enforcement.

In his address, Kerr assured the conference participants that his department is re-examining the proposal as a result of representations by all their groups. "While there must be some element of citizen participation separate from police bodies, it is also essential that any system protect the individual officer, the force and the reputation of police forces generally against false and malicious complaints," the solicitor-general said. "We hope to devise a bill that will create a formal system for handling citizen complaints while protecting police forces as well. We believe that the policeman is



George Kerr

more vulnerable than the average citizen and requires balancing protection."

Latten, who put forward the view of the police associations in his address, said pensions and health and safety will be important issues in future collective bargaining. "There must be something to take care of those who through no fault of their own are incapable of working the prescribed 42 years in the police force," he said. He also predicted increased use of alternative methods of reaching agreements, including mediation-arbitration and final-offer selection.

Latten also argued that the Police Arbitration Commission should have a budget for research so that it could produce documentation on arbitration awards and the reasons for them that could be used as a set of precedents. "People then would know enough not to proceed with some disputes because they would know they could not win them because of precedents already established." He also maintained that many grievances could be resolved by the parties themselves "if people would only stop talking and listen for a change."

Keep, who spoke on behalf of the Association of Chiefs of Police, said joint consultation could be most effective if it took place apart from the collective bargaining process. He agreed with several participants that it could "lay the groundwork for a better climate in which collective bargaining would take place." But he insisted it should remain the chief's prerogative "to pass judgment on all recommendations."

The conference adopted a formal recommendation favouring one government proposal for the Police Act regarding the composition of police commissions. Under it, the province and not the municipality would continue to appoint the majority of members of police commissions. The participants also want the practice of having a provincial or county court judge on police commissions continued.

While there was agreement on that question, there were differences expressed, as might be expected, on other matters, including pensions, health and safety, compensation for shift work, and manning of patrol cars by one or two police officers.

One question that evoked considerable discussion was the role of the police chief in contract negotiations, which are conducted between the local police commission and the local police association. The consensus that emerged was that the chief's role should be an advisory one.

One workshop reported that negotiations in at least one community still take place in a court room, with the police commission seated on a raised dais and before them the police negotiators standing to attention in uniform.

The workshop agreed that this "lack of equality" at the bargaining

table can result in demands that appear unreasonable.

The workshop on the quality of working life reached the consensus that there should be less emphasis on educational standards in recruiting and more on "common-sense" requirements. Workshop members complained of "deteriorating" quality of recruits and "a lessening of common sense that is coincidental with the liberalized attitudes of today's society." Another workshop favoured multi-year contracts because they would leave more time for interaction outside the adversary relationship of contract negotiations.

The collective bargaining workshop reached a consensus on several recommendations: that fines be levelled for not bargaining within stipulated time limits and for not implementing arbitration awards, and that joint consultation be encouraged among the "police family" — commissions, chiefs of

police, middle management and police associations.


There was also considerable discussion of improved and safer equipment and buildings, and of the current climate of violence in society and the pressure it puts on police officers. As one speaker put it, a policeman's lot often "is not a happy one" but joint discussion of his problems could be a means of improving the quality of his unique form of working life, so different from that of people in other occupations.

The participants agreed that the Thunder Bay meeting provided an opportunity for such discussions on a province-wide basis, and that similar conferences should be held in different regions so that more people could share the experience.

The reaction of one Ontario Provincial Police constable was typical: "During my entire tenure with the OPP I have had the opportunity of attending conferences and work-

shops but I must confess I have never attended one where I was able to glean as much information." While not agreeing with the comments of all the speakers he "appreciated their candor and frankness in expressing their opinions."

Kerr himself said the success of the conference "will certainly contribute to the improvement of labour-management relations." And shortly after it ended, Zone 1 of the Ontario Association of Chiefs of Police passed a formal recommendation approving such conferences "providing there is full participation and a balance in representation from each of the three groups."

Aggarwal is confident the experience has "opened the door to better communication between the police forces, their administrators and the chiefs." 

Roy LaBerge

EMPLOYMENT

Wrong prescription for Quebec's construction industry?

The following looks at Parts 2 and 3 of Prof. Gerard Hebert's study of Labour Relations in the Quebec Construction Industry prepared for the Economic Council of Canada. Part 1 of this study was discussed in the June 1978 number of The Labour Gazette.

"The many systems (to achieve job security and income guarantees in the Quebec construction industry) that have been proposed for almost 10 years now show the difficulty if not futility of the undertaking. While the goal of stabilizing employment and

ensuring employees a reasonable income is accepted without dispute, the means of achieving this have received far from unanimous approval. The primary assumption underlying all the systems recommended is itself open to question; moreover, the practical difficulties of application and the economic and social implications that may result are important.

"All the promoters of the systems that have been proposed have begun with the idea of taking away the hours worked by marginal and casual workers in the industry and

redistributing them to permanent workers, the true construction employees. This assumption raises philosophical and economic problems and therefore cannot be accepted without serious consideration...

"Perhaps the real error has been in attempting to find a permanent solution to all aspects of all construction problems at once. To seek a panacea for such a mare's nest in an industry as diverse and extensive as construction is akin to searching for the philosopher's stone. Instead, we should attack

one problem at a time, with much caution and patience; even a partial solution could not fail to benefit everyone. On the basis of the last 10 years' experience in Quebec, a global approach does not appear to work."

In Parts 2 and 3 of his study of labour relations in the Quebec construction industry, prepared for the Economic Council of Canada, Prof. Gerard Hebert of the School of Industrial Relations, University of Montreal, concludes that the present system may not work. Based as it is on the division of the province into regions, and the division of construction workers into groups separated by the number of hours worked annually in the industry, it doesn't take sufficient account of the mobility of workers in this industry. Most important, it doesn't take sufficient account of the rights of part-time workers, who number in the thousands, and who supplement their incomes from construction.

...the present system may not work...it doesn't take sufficient account of the mobility of workers in this industry...it doesn't take sufficient account of the rights of part-time workers...nor does it take account of the law of supply and demand....

Nor does it take account of the law of supply and demand as it applies to construction workers, so that in certain circumstances the supply may not meet the demand, simply because of the regulations.

The system was first proposed by the Office de la construction du Québec (OCQ) in 1976. Prof. Hebert's description: "It would use a classification system to divide employees into three groups according to the number of hours

worked during the reference period — that is, the 12 months of the calendar year preceding the date of issue or renewal of classification certificates. For the first issue of certificates, scheduled for February 1, 1977, the reference period would extend from November 1, 1975, to October 31, 1976.

"Group A would include all employees who worked 1,000 hours during the preceding year.... An employee who worked 1,500 hours over two years, including 500 or more in the second year, would also automatically obtain Certificate A....

"Employees who worked between 500 and 1,000 hours during the reference period would automatically receive Certificate B. Those who worked less than 500 hours, if they had a job and were working in construction on the date of certificate renewal, or on the date of first issue, could, upon request, obtain Certificate C. All others who worked less than 500 hours or were not working at the time of renewal or first issue would be considered as new employees and would have to meet the same conditions as those entering the industry.

"New employees other than apprentices could obtain Certificate C if the two following conditions were met simultaneously: guaranteed employment by an employer registered with the OCQ, and no employee A in the province or employee B in the region available to fill the job in question."

This bureaucratic tangle is only the beginning of the search for job security. The rest is based on the regional structure set up for the industry.

"Employment priority," Hebert writes, "would be based on this

"The principle of redistributing working hours to the advantage of permanent workers in the industry is related to old economic theories that have long been rejected"

three-tier classification and could be summarized in three rules: the holder of Certificate A enjoys job priority in his region; if there is no A employee available in a region, an employer is free to choose between an A employee from another region or B employee from his own region; and if there is no one available in these categories, the employer may choose between a B employee from another region or any other employee who holds Certificate C. Finally, if there is no one available with Certificate A, B or C, he can then obtain the issuance of a new Certificate C."

That doesn't complete the spool of red tape. There is more:

"To enforce employment priority as just described, the OCQ would require a complete, constantly updated survey of all employees working and all employees available throughout the province, grouped by trade. The regulation would require each employer to notify the Office of any hiring, firing, layoff or other separation of an employee no later than 6:00 p.m. of the working day following the event. While not required to do so, employees would be invited to notify the Office of their separation or return to the construction industry so that their availability would be known."

These proposals are now largely in place. They have, of course, led to the current dispute between Ontario and Quebec, for no part of Ontario is considered to be within a Quebec construction region.

Therefore, at least some Ontario construction workers who have been employed on jobs in Quebec may find themselves without the requisite certificates.

But the division of the construction work force into regions goes beyond that dispute, and affects the lives of workers within Quebec itself. Prof. Hebert explains:

"Free choice of employment touches upon some of the basic rights of man, such as non-discrimination and equal opportunity for all. Of course, no right is without its limits, but the reasons for imposing these limits must be

...the best way to stabilize employment may be to forecast demand in the construction industry

serious because they restrict a fundamental right.

"Thus even the State should not normally prevent a worker from working for the employer of his choice, nor an employer from hiring whom he wishes. A worker expressed this principle with conviction at the time work permits were introduced: 'Must we now ask permission from the

government to exercise our right to work?' "

A basic flaw in the system is that it creates, in effect, a privileged class in the construction industry: those who have worked in construction a specified number of hours annually. Yet as Prof. Hebert argues:

"The principle of redistributing working hours to the advantage of permanent workers in the industry is related to old economic theories that have long been rejected. When an attempt is made to take work away from one group and give it to another, particularly when this entails delaying projects in order to conserve jobs for permanent workers during the next slow period, there is an assumption of a fixed amount of hours of labour that must be executed by someone somewhere....

"There is no guarantee that, by preventing a casual construction worker from carrying out work offered to him by an employer, these hours of labour will necessarily go to an employee seeking permanent employment. There are several reasons for this: the work itself may not be divisible to this point; it may be urgent and will therefore be performed in overtime, part of the work may be eliminated, by removing a particular ornament of construction, for example."

Another risk is the deferment of construction projects in regions where there are not enough workers of a certain trade with requisite permits. Possibly workers could then be imported from other regions, possibly not. If not, asks Prof. Hebert, "how long can work permits be refused to those (casuals) who are eager to work?"

Prof. Hebert thinks it's better to "stabilize the industry through



"WHAT DO YOU MEAN, 'THIS WOULDN'T HAVE HAPPENED IF I'D BEEN WEARING MY SAFETY SHOES'? THAT'S WHAT I DROPPED ON MY FOOT!"

manipulation of demand for construction rather than a method of direct control over employment and hiring.”

On the other hand, if control must be exercised over the number of construction workers, it should be exercised over the admission of apprentices “and the various facets of apprenticeship.”


As an example of what can be done in the field of construction planning, he points to “the investment funds in Sweden, in which firms of all types may or must, depending on the case, place a share of their profits, tax free. These funds are then used with the authorization of the National Labour Market Commission during recession periods to

create employment in the construction industry.”

In his study of the practice in other countries, Hebert says “direct control of manpower was discussed by a few countries but none implemented it.” A degree of income stability has been sought, instead, through “an indemnity paid during hard times,” or through dependence on the unemployment insurance system.

Whether the Swedish system would be applicable to Canada is debatable, though Prof. Hebert does not discuss the point in depth. Yet he does, during the course of his study, assert that the best way to stabilize employment may be to control and forecast demand in the construction industry.

It's hard to see how that can be done in an economy as volatile as Canada's. Even government construction plans are subject to sudden change as the economy rises and falls, and government revenues and deficits with it. Private enterprise is of course equally subject to changing economic conditions.

But maybe it can be done. After all, we look to the Swedes to make our 30-year-olds as physically fit as their 60-year-olds. Perhaps we can also learn from them how to stabilize the construction industry by building up a construction fund in boom times, to be used in hard times. 

Ben Malkin

INDUSTRIAL DEMOCRACY

Participatory structures viewed positively by MIT conference

The Sloan School of Management at Massachusetts Institute of Technology in Cambridge sponsored a three day seminar between July 17-20 on European models of workers' participation in management. Among the invited guests were a number of leading experts in industrial relations, the sociology of work and organizational theory.

The focus of the conference was a preliminary summary report of a five-year multi-million dollar comparative study of the effects of workers' participation on such variables as efficiency, absenteeism, work satisfaction, power distribution and social involvement. The 12 nations involved


were Great Britain, West Germany, France, Holland, Belgium, Denmark, Sweden, Norway, Finland, Italy, Israel, and Yugoslavia. The study involved 8,000 respondents answering standardized survey questionnaires in 140 factories varying in size and technology. As a result of using common measurements applied to a large number of countries, the comparability of the findings are enhanced and this has made the project unique. Dr. Bernhard Wilpert of the International Institute of Management in Berlin, Professor Malcolm Warner of the Administrative Staff College in Britain and Dr. Vesna Pusic of the Department of Sociology in Ljubljana, Yugoslavia, reported on

some of the preliminary research findings. It is expected that at least two volumes based on the project will be published under the tentative title “Industrial Democracy in Europe.”

Any findings were complicated by the number of variables involved; nevertheless, one clear observation was that the presence of participatory structures representing workers generated the most positive results. This confirmed the theoretical and empirical evidence that the Yugoslav system of workers' self-management and the various forms of co-determination found increasingly throughout Western Europe do have a sound basis.

While an important goal of the conference was to inform North American academics about the European study, a secondary purpose was to generate interest in expanding the number of countries in the study. Proposals were thus made for possible replication studies in the United States,

Canada, Greece and Japan. The advantage in pursuing such projects would be the unique opportunity to obtain reliable and consistently applied comparative measures for any country involved. It is an idea which Labour Canada should perhaps consider. In this regard, a conference inviting a

number of leading Canadian academics and labour department officials along with a few of the key European researchers to discuss the feasibility of a Canadian study might be worthwhile. 

Dr. Alan Whitehorn

INTERNATIONAL LABOUR ORGANIZATION

1978 conference: success without sorrows

International standards on labour administration and labour relations in the public service were adopted by the 1978 International Labour Conference in Geneva. Participating were some 1,700 government, employer and worker delegates and advisers from 129 countries, including Canada, though not the United States. President Carter withdrew his country from ILO membership last November, which gave the conference added significance.

The 1978 conference examined proposals for international standards on road transport and protection of dockers against accidents, and these subjects will be considered next year.

The conference adopted the report of its Committee on the Application of Conventions and Recommendations, in which general agreement was expressed on the importance of both standard-setting and the maintenance of effective supervision over universal implementation.

Some progress was made on revision of the ILO structure and the mandate of a working party was extended for another year; and the conference resisted an Arab-

inspired attempt to embroil the ILO in the Middle East dispute through politicization of the Resolutions Committee.

The Canadian participants in the conference had particular views on many issues, but all were committed to making a success of the conference, thus demonstrating the utility of the ILO in the face of the problems confronting the world today and tomorrow.

In adopting a convention and a recommendation on labour administration, the conference dealt with the machinery required to enable each country to develop and apply a national labour policy, notably concerning labour legislation, employment, working and living conditions and industrial relations. Little controversy was stirred by this activity. The adoption of a convention and a recommendation concerning protection of the right to organize and procedures for determining conditions of employment in the public service was more controversial, as has been its history.

The 1949 ILO convention on the right to organize and bargain collectively did not include the public sector. The new standards

apply to "all persons employed by public authorities." National legislation may apply the convention to, or exclude from it, "high-level employees whose functions are normally considered as policy-making or managerial, employees whose duties are of a highly confidential nature..., the armed forces and the police."

Where ratified, and it is hoped Canada will be among the first in line, the new convention will protect public employees against discriminatory measures based on union membership. Representatives of the public sector unions should be permitted to carry out their duties without interference. The new convention provides for free collective bargaining and affirms the right of public employees to participate in the negotiation of their conditions of employment. The convention states that public employees should have "the civil and political rights which are essential for the normal exercise of freedom of association."

The accompanying recommendation outlined provisions for union recognition, negotiation, other activities, and facilities for union representatives.

These accomplishments are in the clearly accepted area of competence of the ILO, and though they are very important, and seen so by Canada's public employees, success here was to some extent overshadowed by success in the areas used in the last few years as the battleground between the various and changing coalitions of member countries.

For the United States, last year's rejection by the conference of its committee report on the application of standards was the "last straw," and before the conference began, there were fears that the same thing would happen again, convincing the United States that the ILO was hopelessly in the grip of "double standards" and that the decision to withdraw was vindicated.

In the majority of cases reviewed, governments indicated that action would be or already had been taken to ensure fuller compliance with standard-setting conventions or with other obligations under the ILO constitution. Several governments expressed willingness to receive missions from the ILO to help them overcome "difficulties."

There was general, if somewhat hesitant, agreement on the continued importance of the need to maintain effective procedures for supervising the implementation of labour standards, and as in

previous years, the committee resisted the attacks by the Soviet and other delegations and prepared a special list of countries in which governments apparently had real difficulty in discharging their obligations. Seventeen cases concerning 13 countries failing to provide reports, or answers to observations or direct requests from the ILO Committee of Experts were listed under this procedure. More detailed comments were made in special paragraphs concerning nine countries, chiefly involving conventions on forced labour, freedom of association and discrimination in employment. Argentina, Uruguay, Chile, Ethiopia and Indonesia were among the countries highlighted in this report.

The conference next turned its nervous attention to the remaining "political" item, the work of the Resolutions Committee.

This committee was well packed by delegates from the Arab countries, and it was not surprising that most of the time available was taken up by an anti-Israel resolution of a clearly political nature. The committee passed this, but because of a well organized lack of quorum, the conference did not adopt the draft resolution which concerned allegations of discrimination, racism and violation of trade union freedoms and rights

practised by the Israeli authorities in Palestine and in occupied Arab territories. This was the first time in several years that a UN agency did not adopt a proposed anti-Israel resolution, and governments, employers and workers from many countries concerned about maintaining due process and the integrity of the ILO can take credit.

A resolution concerning youth employment was adopted. Along lines proposed by the International Confederation of Free Trade Unions, it brought great satisfaction to the CLC and other ICFTU affiliates, emphasizing the real function of the ILO and promising greater attention by our governments to the tragedy of youth unemployment.

It was fitting that the deserved defeat of a political resolution was accompanied by the triumph of a functional one, highlighting the real value of contributing fully to the only ILO we have, and one which is besieged, but far from overcome, by the enemies of universal standards, due process, and most of all, genuine freedom of association.

There is only one way to evaluate the 1978 conference, success without sorrows.

John Harker

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*.

1976: October.

1977: February, August, October November.

1978: April, May, June, July, August.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

Alcoholism and drug abuse: a labour-management breakthrough

by Bill Megalli

A dramatic reversal in Canadian labour and management attitudes toward alcoholism and drug abuse on the job has taken place in recent months. Not only are employers and unions joining hands in a massive campaign against this socio-industrial cancer, they are actually setting the example and the pace for the rest of the nation.

At the turn of this year, only a minority of companies and a handful of government departments had any significant policy on alcoholism and drug abuse. Where such policies existed, unions fearful for their image as employee protectors, were not always cooperative.

This situation has changed rapidly since then: all government departments are launching employee assistance programs centered on alcohol abuse; the Canadian Labour Congress is spreading a supportive network of early detection and treatment; and an unprecedented number of companies are considering in-house programs. Companies that do not go along with the tide will face union pressure at the bargaining table.

This wide-scale action has come as a result of alarming statistics on alcoholism and drug abuse, but it would not have been possible had it not been for practical and tested formulas that emerged through efforts by dedicated pioneers.

Much remains to be done, espe-

cially if the current uncertainties of frontline supervisors — who play the most crucial role — are to be overcome. But all parties appear to be sincere in wanting to alleviate the problem, and the battle of the bottle may prove to be a turning point in hitherto adversarial union-management relations, and indeed, in the lifestyle attitudes of many Canadians.

By conservative estimates, Ontario alone has approximately 350,000 problem drinkers, at least half of them employed. Experts generally maintain that 3 to 5 per cent of workers in industrial and commercial establishments are problem drinkers; some put this figure as high as 10 to 15 per cent.

Companies that do not go along with the tide will face union pressure at the bargaining table...

A larger percentage may already be well on the way to becoming alcoholic, however, since alcoholism is a progressive disease: once drinking reaches a certain point its progress along pre-set patterns is almost inevitable. Figure 1 shows that the per capita consumption of alcohol — an amount proven to be proportional to the number of problem drinkers in a given country — increased in Canada from 1.88 gallons in 1966 to 2.54 gallons in 1976. All indications point to a continuing acceleration of this

rate, especially with the contemplated liberalization of drinking laws in some provinces and with the real cost of alcoholic beverages declining relative to the average income. One projection indicates that alcohol consumption could increase by 73 per cent over the next five years.

Ontario Correctional Services Minister Frank Drea, not long ago a self-professed heavy drinker himself, recently warned that further liberalization of the province's liquor laws would lead to a 10 per cent increase in the number of prisoners in its jails.

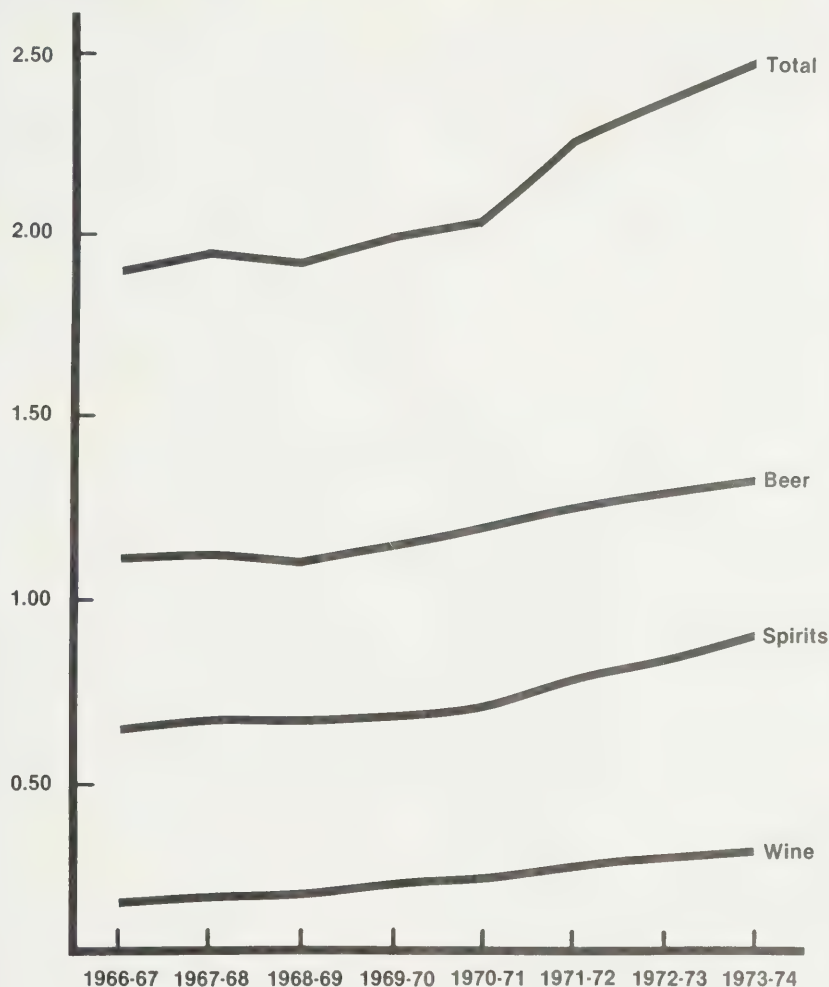
He said nine out of 10 people in jail in Ontario — about 5,400 — are there for alcohol-related offences. The consequences of alcoholism are pervasive throughout society: even the Canadian Distillers' Association is hiring a doctor to deal with it. "We have to think in terms of an epidemic," said John Caldwell, an industrial consultant who has worked for years with the Addiction Research Foundation (ARF) of Ontario. "We would certainly mobilize resources if 5 per cent of our population were suffering from the flu."

The Health Protection Branch, Health & Welfare Canada, has had this warning on record for years: "The physical, mental and social health problems associated with the use of beverage alcohol in Canada are of serious proportions and the indicators available suggest that their magnitude is growing. Problem drinkers are

FIGURE 1

Per capita consumption (gallons of absolute alcohol)
based on population 15 years of age and over
for fiscal years 1966-67 to 1973-74

Per capita consumption



Source: *Alcohol Problems in Canada*, Health and Welfare Canada

distributed through all occupational groups — professional and non-professional.... It is obvious that Canada requires coordinated mobilization of resources at the national, provincial and local levels in order to prevent or reduce the costly burden on our economy."

Figure 2 shows the consecutive

stages that trigger one another in the course of alcoholism but that can be reversed by intervention. The earlier the intervention the better the chances of full recovery and, conversely, the more the delay the more complicated and costly treatment becomes and the higher the probability of relapse. One of the most indicative danger

points is the "memory blackout": consciousness is not lost but the drinker cannot remember what transpired the night before after a heavy bout of drinking.

One stage leads to another until the drinker is caught in a vicious circle of financial, family and work problems. Usually he drinks more to forget these. He then suffers from hangovers and morning shakes, which he finds he can sooth by a drink in the morning and another at lunch time. From this point rapid deterioration follows.

...the battle of the bottle may prove to be a turning point in hitherto adversarial union-management relations...

From the point of social drinking to the point of problem drinking could represent an average of 12 years per worker in industry, estimates Dr. Ronald Laing, who is well known across Canada for his contributions on the subject. "If you drink regularly over a sufficient span of time you will become an alcoholic, unless you are that one in a thousand," Dr. Laing said. Lt. Col. John Harding, administrator of the drug and alcohol program at the Department of National Defence (DND) admits: "the majority of us — including myself — are prone to becoming alcoholic through social drinking."

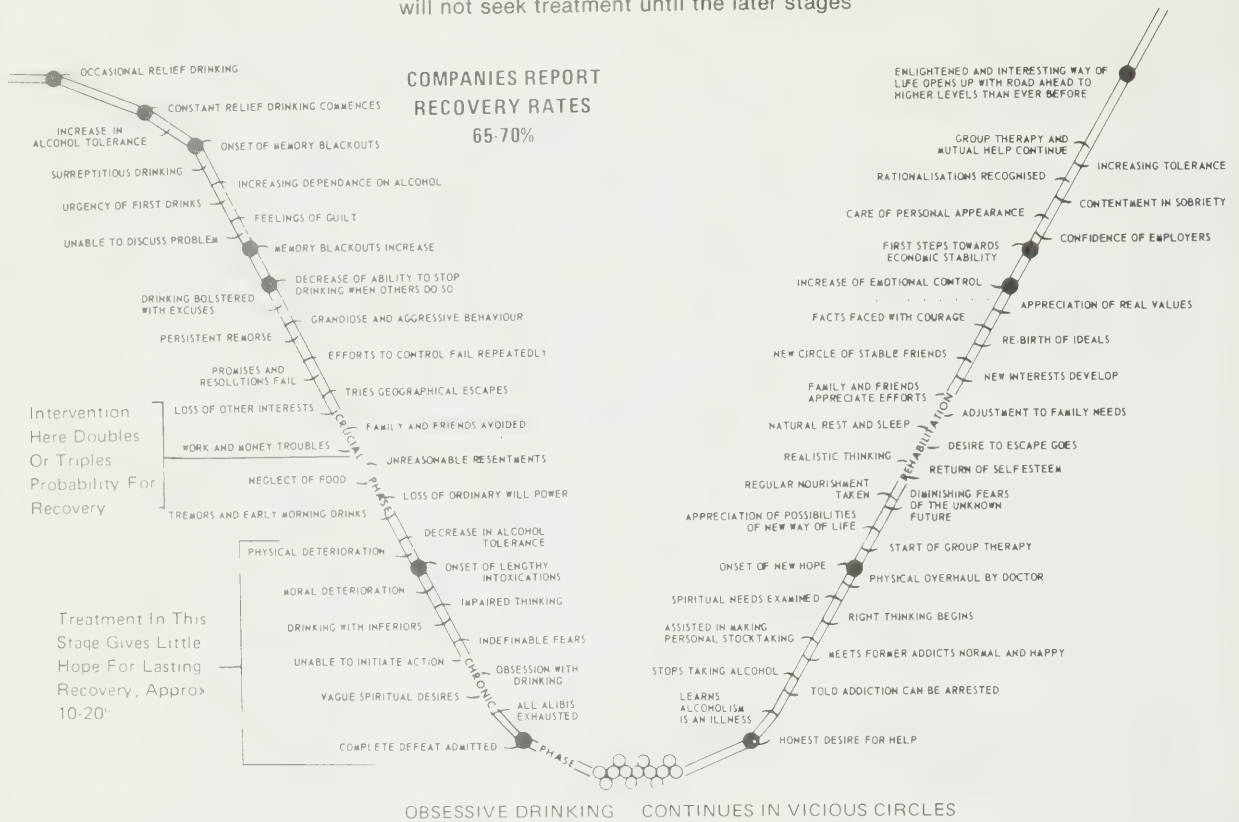
The problem is further compounded by the growing number of drinkers among women and young people, whose systems are more prone to rapid addiction (10 years compared with 15 to 20 years for men).

Meanwhile the incidence of drugs other than alcohol is also increasing. The ARF's 1976-77 report warns: "Cannabis use has spread

FIGURE 2

Illustration of progressive nature of alcoholism

Showing stages usually experienced, most persons will not seek treatment until the later stages



Source: Industrial Accident Prevention Association, Ontario, Canada

in Canada, the United States and Europe," while heroin dependence has "long been considered a problem unique to the large cities of North America." Yet statistics are inadequate and those available in Canada start with the qualification: "cases coming to the attention of the Narcotics Control Division" of Health & Welfare Canada. Heroin use represents more than 80 per cent of all cases reported in Canada.

Cross-addictions involving alcohol and other drugs are also increasing. As the tolerance level to one

drug rises, the addict often resorts to other drugs, many of which can be obtained by prescription. Mixed

Experts generally maintain that 3 to 5 per cent of workers in industrial and commercial establishments are problem drinkers; some put this figure as high as 15 per cent

use of drugs results in much more rapid addiction. Statisticians and law enforcement authorities are

acknowledging their inability to gauge or control the use of the many available drugs. Lacking the pungent smell of alcohol, they are also much harder to pinpoint at the workplace. Fortunately, however, they lend themselves to the same approach that is applied to alcohol abuse: referral for treatment on the basis of declining work performance. For employers, these addictions translate into costly hangovers in the form of absenteeism, accidents, poor work performance, health care bills and early medical retirement, all of which are increasing.

There is also a correlation between alcohol consumption and all leading causes of death and disability, from specific types of cancer to cardio-respiratory ailments and mental disorders. Alcohol-induced cirrhosis of the liver is moving steadily from fifth to fourth place among leading causes of mortality in Canada.

Yet industry has been reluctant to grapple with the problem because the costs, and their real causes, can be easily camouflaged in annual accounts. Moreover, alcoholism has traditionally been a disease of denial and concealment, which society has tended to accept and even encourage.

Early this year, *The Labour Gazette* conducted interviews with the ARF and with several firms that had ongoing alcohol-abatement programs, including Canadian National Railways, the General Motors plant at Oshawa, and the Lifeline Foundation of United Steelworkers of America (USWA) in Toronto. It was found that a minority of companies had programs, even though aid was available without cost from the ARF, which is recognized internationally as a leader in this field.

The situation was no brighter in the public service. *The Review*, published by the Public Service Alliance of Canada (PSAC), said last November that alcoholism averages 10 per cent in the federal public service, with the government and unions alike dragging their feet on remedial action.

One exception in the public service was the Department of National Defence (DND) which has had a comprehensive model program since 1971 that actively involves the entire community around all major bases in Canada. The drinker's supervisor and family in particular are encouraged to

...the incidence of drugs other than alcohol is increasing, as are cross-addictions involving alcohol and other drugs

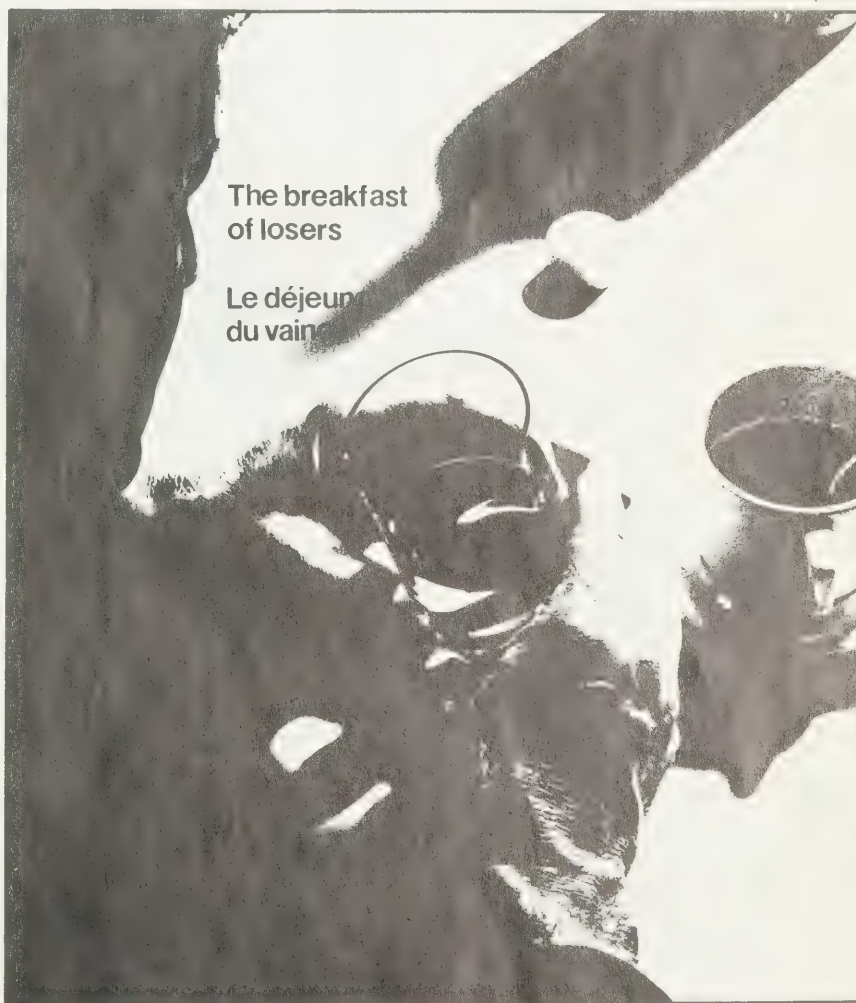
play an active role. DND defines the point of intervention as "drug misuse," thus avoiding the stigmatic term "alcoholism," and the main thrust of its program is on prevention through awareness education. Similar programs were not found in other government departments, however.

In recent months, the overall

picture appears to have changed following a new Treasury Board directive issued late last year which made it mandatory for all departments to launch employer assistance programs. Unions, especially PSAC were instrumental in phrasing certain key provisions, and this pattern of union cooperation appeared to be nation-wide.

The Post Office Department formulated a policy on alcoholism and obtained the signature of top executives and union leaders. A national conference comprising representatives from each region was then held, and the policy was

Canadian National poster



passed by vote with a few amendments. "We were lucky in having the ARF available with advice," said Alex Edey, in charge of the Post Office Department's program. The most important single ARF advice was soliciting union co-operation.

Co-ordinators for all government departments have now been appointed. They held a national conference recently to exchange information, and most departments expect to have operative programs within a year. Follow-up and assessments are to be made by October 1979.

Alcoholism and drug addiction also figured prominently at the CLC's annual convention in April this year. The CLC committed itself to action "on every conceivable front," according to Peter Lea, assistant director of social community programs. This includes developing necessary counselling structures within CLC units, urging affiliates to initiate and implement employee assistance programs (EAP) "as part and parcel of collective agreements," and participating in a national body to deal with all aspects of the problem.

At a two-day conference on alcoholism and drug abuse held in Ottawa last June by the Ontario Council of Safety Associations, Lea said the CLC believes the problem of addiction has become so serious that action on the national scale is required immediately. "We don't see ourselves going it alone, and I don't think there is a question of us not working together for the benefit of the community," he said, and praised the "beautiful examples" of co-operation provided by unions and management where EAP programs have been in effect.

His words received the unqualified support of Kenneth Fraser, PSAC's director of organization. "The CLC policy commitment on alcoholism and drug abuse is one of the biggest events in this area in decades," he said, adding that "the government should be commended for the new Treasury Board EAP directive.... The best programs are those entered in good faith by union and management. Unless this is the case, we shall have alleged programs as a cover-up for getting rid of troubled employees." Fraser emphasized the necessity of forming a national

body to cover the information gap on the issue, and said the unions may even do it alone if other parties are not responsive.

The CLC's is not the first union initiative in Canada on the issue. USWA's Lifeline Foundation has been involved in EAP activities for years, with 200 companies and locals in the Toronto area, and is discovering, through experience, that alcoholism is indeed the number 1 problem. Director James Simon hopes to launch soon a three-year study which will produce meaningful statistics on



Lifeline's target groups. A gap in such statistics is felt in all circles dealing with alcoholism and drug abuse.

The Council of Safety Associations' conference was the third of its kind, with more to follow in coming months. The primary aim is to spread awareness about the magnitude of the problems and the means of coping with them among various union-management levels. Some 300 participants from various levels of management and unions in the private sector and government attended the conference, where they discussed problems and exchanged information on the current state of knowledge.

The consensus was for more emphasis on training supervisors and for a comprehensive national plan of action. Participants said social attitudes which associate drinking with "the good life" and with celebrating corporate successes must be changed. The CLC noted that special lounges for non-drinkers were introduced at its April convention, "notwithstanding wisecracks from some people." Much fear was expressed about drugs other than alcohol, and there were demands for a closer look at these at future conferences. Apprehension about such drugs was also expressed by USWA's Simon, CN's, Laird, and Dr. Arnold Jones, GM's associate medical director at Oshawa. One supervisor attending the conference said he deals primarily with young people and he was certain there was widespread use of drugs among his team, "but they cover up for one another and I just can't come to grips with the problem."

The paramount necessity felt at the conference was for attitudinal changes in society as a whole, with calls for such measures as toning down alcohol advertise-

For employers, these addictions translate into costly hangovers in the form of absenteeism, accidents, poor work performance, health care bills and early medical retirement...

ments and making alcoholic beverages "less available." But it is hard to change attitudes. A case was cited of one post office worker who refused treatment three times — he involved the union in costly dismissal suits which it won each time, with the net result that he committed suicide.

The Council makes no estimates of alcohol-related accidents, but speakers said statistics show problem drinkers have at least twice as many accidents as their colleagues. A participating company lawyer cited the case of one client firm with 110 employees which had an average 22 accidents per month last year, but since the introduction of an EAP program last November only five accidents were reported until May. In addition, the new-found union-management camaraderie accounted for the absence of any industrial disputes in the same period.

Table 1 was supplied by the General Motors Plant at Oshawa. It shows a \$45,000 decrease in the amount of sickness and accident benefits paid to 104 alcohol abusers one year after they underwent treatment, and roughly the same dollar amount per employee lost in increased S & A benefits for 48 others who did not undergo treatment.

Problem drinkers also have three times the rate of absenteeism and lateness normal in their establishments. Industrial consultant John Caldwell believes the lower rate for

accidents — two to one — can be explained by the fact that fellow employees protect the problem drinker by keeping an eye on him or assigning him inconsequential tasks. This accounts for U.S. statistics which indicate that each problem drinker negatively affects the work performance of six other fellow workers.

Accidents are only one of the reasons that may prompt a company to launch an EAP program. The list of such companies, even though still limited, comprises many of the leading names in business and industry, including Alcan, Bell Canada, Canadian General Electric, Dofasco, Du Pont of Canada, Ontario Hydro and *The Toronto Star*.

"The CLC policy commitment on alcoholism and drug abuse is one of the biggest events in this area in decades"

Each has its own rationale. For Dofasco, which has had a highly gratifying program since 1962, it was enough that it was investing several thousand dollars in training an employee, and that a replacement cost several thousand more plus additional thousands spent on arbitration when an alleged problem drinker was fired.

"Compare this to the cost of starting a program, which is practically nothing," said Judy Keaney, ARF occupational liaison consultant. As a government agency, the ARF provides aid at no cost to individuals or companies. Its community facilities are available for intensive in-patient treatment lasting three weeks, with subsequent out-patient follow-up for up to two years.

The value of starting a program is

TABLE 1

General Motors of Canada Limited Nov. 1972 — Aug. 1974

Total number of employees
 Hourly-rated 26,371
 Salaried 6,858
 Estimated number of alcoholics
 7% X 33,429 = 2,340

**Grievance activity due to disciplinary
 actions on 152 Oshawa plant employees**

*104 employees who
 underwent treatment*

*48 employees who did
 not undergo treatment*

	One year before	One year after	Results	One year before	One year after	Results
Grievance Activity...	50	21	58% Decrease	12	16	33% Increase

**Cost analysis of the 104 Oshawa plant employees who underwent active treatment
 for alcoholism, one year before treatment and one year following treatment.**

	One year before treatment	One year after treatment	Results
<i>Sickness and Accident Benefits:</i>			
Number of S & A claims	182	99	46% Decrease
Number of days lost	3,440	1,779	48% Decrease
Amount paid in S & A benefits	\$93,554	\$48,691	48% Decrease
<i>Workmen's Compensation:</i>			
Number of WCB claims	15	11	27% Decrease
Number of days lost	320	115	64% Decrease
Amount paid in WC benefits	\$11,078	\$ 3,981	64% Decrease

**Cost analysis of the 48 Oshawa plant employees who did not undergo active treatment
 for alcoholism, one year before referral and one year after referral.**

	One year before referral	One year after referral	Results
<i>Sickness and Accident Benefits:</i>			
Number of S & A claims	57	68	19% Increase
Number of days lost	688	1,521	121% Increase
Amount paid in S & A benefits	\$19,082	\$43,413	128% Increase
<i>Workmen's Compensation:</i>			
Number of WCB claims	4	5	25% Increase
Number of days lost	53	94	77% Increase
Amount paid in WC benefits	\$ 1,834	\$ 3,254	77% Increase

Workmen's Compensation Board Report Jan.-Feb. 1977

not limited to treating existing cases. Posters such as those displayed by CN have had a tangible effect on increasing the number of voluntary referrals and on decreasing the overall number of problem drinkers, according to Less Laird, who is in charge of the CN program. Lt. Col. Harding champions a similar line: "If people know enough about the nature of addiction early enough they can refrain. The best hope is to change the social environment and de-glamorize alcohol."

The ARF has been the igniting force for most successful alcohol-abatement programs in industry. The approach it prescribes is first formulating a joint union-management policy statement on the issue, making it clear that alcoholism is regarded as a treatable disease, and that the employee's pay, benefits and seniority will continue during the period of treatment. Referral for the in-patient treatment is on the basis of declining work performance as judged by the supervisor, who makes no attempt to diagnose the problem itself. But the supervisor's role is the most vital link, as seen in Table 2, which shows the trained supervisor accounting for the bulk of referrals.

Supervisors are trained through periodic ARF seminars to spot and approach the problem drinker. It is important to convince the supervisors that they are doing the problem drinker no favour by covering up for him but are actually making his situation more desperate. Most supervisors hesitate to finger a co-worker whom they have known for years, and many express doubts about whether treatment really works.

The St. Joseph's Centre in North Bay, Ontario, has treated more than 1,000 alcoholics in the past six years despite limited resour-

TABLE 2
Canadian National (CN) Alcoholism Progress Report,
Great Lakes Region

Referrals		Classification		Age		Rehabilitation Progress		Service	
No. of Employees approached									291
Self	30	Management	18	Up to 30	36	Accepted help	188	0-5 years	55
Medical	24	Skilled	64	31-40	44	Refused help	90	6-10 yrs.	33
Supervisor	219	Non-skilled	77	41-50	103	Pending	12	11-20 yrs.	35
Union	6	Clerical	82	51-60	96	In-service	215	21-30 yrs.	117
Family	9	Operating	50	61-65	12	Resigned	31	31 yrs. & over	51
Authorities	1					Retired	23		
Other	2					Discharged	10		
	291					Deceased	12		
						Suspended, restricted, etc.	6		

CN Employee Relations, Toronto, Ontario, up to December 31, 1977

TABLE 3
Client Employment Status* at 12, 18, 24 months after rehabilitation (Nov. 1973 — Sept. 1974)

	Employed Same Employer			Resigned			Fired			Retired			Died			Totals
	12Mo	18Mo	24Mo	12Mo	18Mo	24Mo	12Mo	18Mo	24Mo	12Mo	18Mo	24Mo	12Mo	18Mo	24Mo	
IN TOWN	103 (84%)	89 (72%)	83 (67%)	2 (1.5%)	7 (6%)	11 (9%)	12 (10%)	17 (14%)	18 (15%)	4 (3%)	6 (5%)	6 (5%)	2 (1.5%)	4 (3%)	5 (4%)	123 (100%)
OUT OF TOWN	35 (73%)	34 (71%)	31 (65%)	1 (2%)	1 (2%)	2 (4%)	8 (17%)	8 (17%)	9 (19%)	3 (6%)	3 (6%)	3 (6%)	1 (2%)	2 (4%)	3 (6%)	48 (100%)
TOTALS	138 (81%)	123 (72%)	114 (67%)	3 (2%)	8 (5%)	13 (7%)	20 (12%)	25 (15%)	27 (16%)	7 (4%)	9 (5%)	9 (5%)	3 (2%)	6 (3%)	8 (5%)	171 (100%)

*Two clients were admitted to custodial institutions at the 12 months period and retained their employment. A few clients in the resigned category at all time periods were "forced to resign."

Source: Addiction Research Foundation

ces. Although the rate of full recovery is high, there is also a high probability of relapse the more the treatment is delayed, according to Sister Doyle, the Centre's director. She said there are various reasons that company programs are not working, and emphasized that "union and management have some homework to do," particularly in early detection and treatment. Supervisors, unfor-

tunately, often take the attitude that "the problem drinker is not that bad yet."

Sister Doyle said the value of in-patient treatment is that it gives the central nervous system and judgment areas in the brain — the prime targets of alcohol — a chance to recuperate. Follow-up is then maintained within normal work conditions and with the

active participation of the alcoholic's family and supervisor. High rates of recovery to acceptable work standards and full abstinence are reported in CN's statistics and in general statistics supplied by the ARF (Table 3), but the rate appears to decline progressively one and two years after treatment. Nevertheless, the substantial numbers who do return to useful roles in society — perhaps the

richer for their ordeal — are well worth the effort.

But, as Sister Doyle pointed out, "What we are talking about is a condition that took between 10 and 20 years to develop. When the patient sobers up he has a horrible array of problems to face which he previously evaded. This is a day-to-day challenge in establishing a new way of life and thinking."

A task such as this requires the full understanding of family and supervisor. They are actively involved in workshops during the in-patient treatment, the ultimate purpose being to help bring the patient's life patterns back to normal.

According to a strong body of opinion, in-patient treatment is a costly and uncertain venture. In fact, treatment facilities in Canada would be overcrowded if all problem drinkers were to be accommodated. But new formulas relying exclusively on out-patient

...U.S. statistics indicate that each problem drinker negatively affects the work performance of six other fellow workers

treatment are being tested.


Dr. J. Dietrich, director of the Rideauwood Institute in Ottawa, says hospital beds are needed only to treat physical damage resulting from chronic intoxication. Most alcohol abusers, however, do not require hospitalization.

He said experience at the Rideauwood Institute indicates that recovery rates obtained through out-patient treatment only are similar to those arrived at by the standard combination of in-patient and out-patient treatment. The other major component of the Rideauwood program is seminars for supervisors.

"You don't need to handle alcohol abusers with kid gloves or give them special treatment. They should be challenged to shape up on their own, otherwise emerging pressures can detonate drinking again," Dietrich said. He emphasized that voluntary referrals must be encouraged and that establishments which wait to the point of mandatory referrals will be in a tough situation.

Canadians already consume more alcohol than Americans and Britons.

In these times of economic uncertainty they are liable to drink more and their per capita alcohol consumption may become one of the most cited Canadian statistics along with unemployment and inflation.

But with the new labour-management attitude "perhaps this country will be known instead for its in-depth approaches to the problem," commented PSAC's Ken Fraser. 



Public vs. private-sector compensation: a trade unionist's view

by Gilbert Levine

Now that the Anti-Inflation Board (AIB) wage controls are being phased out, the Government of Canada is putting forward a new form of wage controls for public employees. This time it's called ACTC or Average Comparability of Total Compensation — a term which we will hear with increasing frequency in the months and years to come.

It was first proposed on March 8, 1978 by the government in the form of Bill C-28, "An Act to Amend the Public Service Staff Relations Act." If this Bill were to become law the federal government would no doubt put strong pressure on crown corporations, and provincial and municipal governments to follow its lead.

ACTC is a formula devised by federal technicians that is purported to measure the total cost to the public purse of both wages and fringe benefits of public employees. The total compensation of comparable jobs from a representative sample of private-sector employees would similarly be measured as a means of ensuring that pay rates in the public sector never exceed rates in the private sector.

The proposed scheme calls for costing 13 wage and fringe benefit elements and comparing them, occupation by occupation, with those in the private sector:

The 13 elements to be compared include:

1. Wages and salaries
2. Pensions (including indexing provisions & supplementary retirement benefits)
3. Life insurance
4. Disability insurance
5. Severance pay
6. Supplementary health insurance
7. Employer's share of provincial health insurance
8. Sick leave/sickness indemnity plans
9. Paid holidays
10. Vacation leave
11. Scheduled hours of work
12. Paid rest periods
13. Overtime

Under this proposal, the total average compensation of private-sector workers would be established using techniques developed by the AIB. Comparable public-sector employees would then be given the total amount of compensation, i.e., the new "guidelines," for which they would be allowed to bargain.

Accordingly, negotiations would be limited to bargaining for the appropriate mix of total compen-

sation, i.e., wages relative to fringe benefits. In other words, unions would be able to bargain only on how the pie is to be cut. There would be no bargaining on the size of the pie.

Another feature of the scheme would include specific guidelines whereby arbitrators in interest disputes would be required to follow the ACTC formula in their awards.

Unions would be able to bargain only on how the pie is to be cut. There would be no bargaining on the size of the pie

Bill C-28 is falsely trying to accuse public employees for the economic mess we are in today. If that lie succeeds, it will take the heat off the corporations and governments, who are the real creators of unemployment and inflation.

This new gimmick is all part of the continuing propaganda that public-employee wage increases in recent years have sparked inflation in Canada. But the facts have consistently shown that pay increases for public employees have never led, but always followed, increases in industry.

Percentage wage increases in public-sector settlements were less than private-sector settlements in every year between 1968

and 1974. It was only in 1975, when public-sector unions began to "catch up" to industrial workers, that the government imposed wage controls.

In the eight years prior to the introduction of wage controls, the percentage increase in base rates in new settlements in the private sector totalled 81 per cent. For the public sector it was 81.5 per cent. Therefore, the annual average differential between public and private-sector wage settlements was less than one tenth of one per cent.

In comparing wage settlements between the public and private sectors since the start of collective bargaining in the federal public service in 1968 until the third quarter of 1976, the Hon. John Munro, Minister of Labour recently stated in an address to the National Convention of the Canadian Merchant Service Guild in Vancouver:

Percentage wage increases in public-sector settlements were less than private-sector settlements in every year between 1968 and 1974

The federal public service is trailing marginally behind the major bargaining units of the private sector. The public service including all levels of government is only marginally ahead of the major bargaining units of the private sector. Some of the increases in the provincial and municipal wage levels in this period can be accounted for by the fact that public employees obtained bargaining rights relatively recently and were using their bargaining power to catch up to private industry wage levels.

In spite of this, ACTC brings forth the concept that profit-making private industry must be the leader

in wages and benefits. Employees who provide public services must then follow.

This concept is wrong on two counts:

1) Rates of pay should not only be set on the basis of skill, responsibility, effort, education, working conditions, and so on, but also on the basis of the social value of the job in the community. For example, a floor sweeper who provides a useful community service in a hospital should be paid more than a floor sweeper in a chewing gum factory. That's not the case now. Rates of pay of public employees, who perform work that in many cases is so essential that they are forbidden by law to strike, should not have to follow rates of pay for non-essential workers.

2) Instead of always following the private sector, public employers should be free to be *model*



"I warn you, the site will stay like this until the lads get a half-hour meal break and double time for working Midsummer Day."

employers, to be followed by the rest of the community. Governments as employers should be free to introduce new concepts of industrial relations and new ideas on working conditions and benefits, as they have done in the past. Many years ago governments provided their employees with paid vacations, paid sick leave and pensions, long before they were known in private industry. If we had waited for private industry to introduce these benefits, they might still be unknown today in Canada.

What are some of the dangers of ACTC for public employee unions?

(1) Everything would not be compared. The elements to be compared between public and private employers are restricted by the federal government formula. When Treasury Board President Robert Andras met with officers of the Canadian Labour Congress in February to discuss the ACTC formula, he was asked if the government also intended to match non-monetary benefits of public employees with benefits which apply in industry. The CLC officers had in mind the right to strike, the right to negotiate on pensions, on promotion, on job classifications, and so on. Andras replied that the government would decide on the elements to be compared, and there was no intention to match these matters with those pertaining to industrial employees.

(2) There would be no guarantee of the use of objective statistics under ACTC. Unions and governments would not likely be able to agree on which private employers would be included in a representative sample for comparison purposes. Nor would there be much agreement on job matches. But under ACTC, governments, as employers, would assume the responsibility of collecting "the

A floor sweeper who provides a useful community service in a hospital should be paid more than a floor sweeper in a chewing gum factory

facts" on average wage comparability. Where there is a disagreement between the government and a union on any aspect of the sample, a government agency would make the decision. Governments, or their agencies, like the Pay Research Bureau, would select the companies to be surveyed, select the job matches between the public and private employers, and also make all the calculations. This is on a par with one team (the government) in a hockey match being allowed to make and amend the rules (The Public Service Staff Relations Act), to select the facts (Pay Research Bureau), and to appoint the referee (the Arbitrator) in its game against the other team (the unions).

How would a union bargaining with the government as an employer be able to determine the value of total compensation of the bargaining unit? It is obvious that it would be impossible for the union to obtain accurate information when the government has all the records. It is also obvious that the union would have to accept whatever the government says the group is entitled to. Surely, this is not a fair approach to bargaining.

Anyone who has negotiated with public employers in recent years will know how governments, as employers, have distorted survey "facts" to their own benefit in bargaining.

The people with the most "know how" in costing wages and benefits in Canada are the technicians of the AIB. These "experts" in

rolling back the hard-won gains of workers will now be recruited as the impartial compensation surveyors of the new ACTC. Is it any wonder that trade unionists will be suspicious of the whole scheme?

(3) Comparability is a highly complex thing. Even if the principle of wage comparisons based on total compensation were correct, the complications of gathering accurate compensation information are immense. Part of the difficulty stems from the fact that most employers do not keep accurate compensation records. Many items of compensation in the

If we had waited for private industry to introduce...paid vacations, paid sick leave and pensions...they might still be unknown today in Canada

private sector, such as subsidized meals, Christmas and other bonuses, discounts, mortgage loans, stock options and so on, are difficult to measure. It is erroneous to assume that all elements of compensation are measurable in accounting terms.

The United States Public Service Commission has been examining the total compensation approach for some time. That body recently stated that it still needed several more years of experimenting before the approach might be considered valid. Could Canada's speed in entering the scheme be a case of "fools rush in where angels fear to tread?"

(4) There would inevitably be costing problems under ACTC. Agreement between unions and government employers on "costing" of wages and benefits under ACTC would be difficult, if not impossible. For example, assuming that a government

matches a 6 per cent employee contribution to a pension plan, it would mark that down as a 6 per cent payroll expenditure. But most governments use this pension money to invest in their own operations. In effect, they "lend" themselves money at greatly reduced rates of interest. This would have the effect of reducing the real pension cost by approximately one half. As such, the 6 per cent payroll pension "cost" charged as compensation against the union may only cost the employer 3 per cent in real terms.

One of the 13 "costed" items under ACTC is overtime. Where a union negotiates an improvement in overtime premiums from the standard time and one half to double time, it would be charged for the "cost" of this improvement. However, if this increased penalty against the employer causes him to hire additional employees at straight-time rates and eliminate all overtime premiums, would this be considered a reduced cost to the employer? Not under ACTC. Similarly, if the introduction of a rest period "costed" at 3 per cent of payroll results in an increase in productivity of 5 per cent ACTC would still consider this as a new cost at 3 per cent, when, in actual fact, costs haven't been reduced.

(5) ACTC would be based on dated material. In the past, the government as a bargainer has relied on wage and benefit surveys of the previous year to determine wage rates for public employees for the following year. This would continue under ACTC.

Public employer offers would always be based on wage material that is out of date. Therefore, with private-sector unions demanding large wage increases to meet inflation, public employee unions under ACTC would always lag behind.

(6) Corporations would inevitably have a stake in ACTC. As a means of covering up its own bad image, the corporate sector in recent years has been campaigning strongly against the conditions of employment in the public sector. If the corporate sector were successful in keeping down public-sector wages and benefits, there would be less demand to improve the pay and benefits of its own employees. (Indeed, this may well be the rationale of pressure on government by corporations to bring in ACTC.) If industrial employers knew that the statistics they supplied on wage comparability would be used to set wages and benefits for public employees, there would be strong pressure on them to feed biased information into a survey. They would tend to highlight poor wages and conditions and this would seriously affect the validity of any comparisons.

Little, if any, progress can be made toward improving working conditions when the compensation is frozen into one package

(7) Under ACTC many matters are just not negotiable. Once the total compensation was determined through ACTC, would a public-employee union be free to determine how the compensation is divided between wages and benefits? Not exactly. Many of the public-sector benefits are determined by legislation which is not subject to collective bargaining. For example, where the law said the employer must pay 6 per cent of an employee's wages into a pension, the union would not be able to say in bargaining that it would prefer to forego the 6 per cent and take three extra weeks vacation with pay.

Even in matters not covered by legislation, there may well be many rigidities built into the system of ACTC. One doubts whether the government would allow every bargaining unit to choose its own mix of total compensation. Would it allow one bargaining unit to give up two 15-minute rest periods and cut the working day by half an hour? Or another group to eliminate rest periods in exchange for three extra weeks vacation? If that's what bargaining on total compensation really means, it could really end up with a wide variety of compensation packages.

(8) There is no allowance for the possibilities of immediate catch up under ACTC. If the ACTC formula showed that the compensation of a particular classification in the public sector was substantially behind a comparable private-sector position, would Bill C-28 provide for an immediate catch up? Not necessarily. The proposed amendment to the PSSR Act states:

If the existing aggregate of compensation is substantially less than that for similar or analogous occupations or work, any arbitral award rendered shall provide for the gradual elimination of the differences, taking into account the relative magnitude of the difference and the prevalent rate of increase in aggregate of compensation outside the public service.

(9) ACTC would inevitably make bargaining more rigid. The total compensation formula is similar to the AIB arithmetic on guidelines, which are also based on an aggregate of pay, benefits, and other conditions of employment. With limits placed on compensation during the AIB controls, some unionists thought they would be able to concentrate their bargaining on non-wage working

conditions and make some important breakthroughs. In fact, the opposite proved true. The imposition of total compensation under the AIB removed flexibility from collective bargaining. The AIB has demonstrated that little, if any, progress can be made toward improving working conditions when the compensation is frozen into one package. Similarly ACTC would not only freeze compensation bargaining, but would also freeze bargaining on key non-wage issues, such as job security, safety, promotions, and so on.

(10) ACTC would lead to what may be called "computerized collective bargaining." Wage and fringe benefit facts would be placed in a computer, which would then spit out "the facts" on what changes might be allowed in a collective agreement. Gone would be the role of the active rank-and-file member and steward. Unions would cease to exist as effective organizations, and bargaining in the public sector would become a highly bureaucratic exercise, the preserve of the technocrats, with little meaning to the membership.

Once the ACTC system was operational, governments would likely bring pressure to bear to decertify public employee unions. The argument would go: "Now that we have a "fair" system of comparisons and the computer is working well, you do not need a union any more."

(11) ACTC would lower the standards for public employees. In the past, the federal government stated that it should compare its conditions of employment with those provided by *good* employers. This normally meant comparisons which did not include small employers with poor working conditions. Now under ACTC, the government wants comparisons to be made with all employers, large



and small, unionized and non-unionized, and with good and bad conditions. This new concept of an "average" would certainly have the effect of lowering the standard of public employees.

In accordance with the Public Service Staff Relations Act, guidelines to arbitrators in the past have been flexible and were on the

Unions would cease to exist as effective organizations, and bargaining in the public sector would become a highly bureaucratic exercise...

basis of the "need to establish terms and conditions of employment that are fair and reasonable in relation to the qualifications required, the work performed, the responsibility assumed and the nature of the services rendered."

Under section 68 of the PSSR Act, an interest-dispute arbitrator or negotiator could set wage rates based "on the need of the public service for qualified employees." It appears that the government no longer considers this need important. With Bill C-28, this section of the Act would be deleted and replaced by the simple comparability formula. This would completely tie the hands of government recruitment officers who would no longer be able to improve salaries to attract qualified employees who are in short supply. Another example of this government putting the needs of the private sector first!

(12) ACTC would weaken unions. Labour unions are not merely economic organizations to bargain for wages and fringe benefits. Unions also serve to defend workers' rights on the job, such as grievances, promotions, discipline, occupational health and

safety, etc. Unions are also organizations to bring about social and political change. Denials of free collective bargaining on economic issues, would weaken the effectiveness of labour unions on all other matters as well. ACTC would weaken a union's ability to fight for justice on and off the job.

(13) ACTC discriminates against women public employees. The recent passage by the federal government of the Canadian Human Rights Act has been hailed as a progressive move. Section 11 of the Act provides for the principle of equal pay for work of equal value. However, Bill C-28 is directly opposed to the principle of equal pay for work of equal value. As such, this legislation discriminates against public service women and adds a new level of control on their wages.

The government is planning to take away with one hand (Bill C-28), what it gave with the other (Human Rights Act). In order to have any meaning whatsoever, the comparison of equal pay for work of equal value must be made within the same company or place of work. Yet Bill C-28 establishes a principle of comparing unionized government employees and non-unionized private-sector employees. Instead of comparing the worth of a public service female clerical worker with the worth of a higher-paid male public servant, the government now proposes to compare her with the clericals employed in banks, insurance companies and retail trade, where unionization is virtually nil. Thus, women in clerical and secretarial jobs in the unionized public sector would have a new wage ceiling, which would be the average pay of clerical jobs in private industry,

...public-sector women would have their wage rates tied to the rates for low-paid jobs in private industry, where most women are unorganized

where most women are unorganized.

In other words, public-sector women would have their wage rates tied to the rates for low-paid jobs in private industry, where employers profit by discriminating against women.

This is directly contrary to the principle of comparison within the establishment, as defined in the equal-pay section of the Canadian Human Rights Act.

(14) ACTC would pit worker against worker. By telling industrial workers that public employees are the cause of inflation and other economic problems, governments are, in effect, seeking the support of industrial unions to keep down the wages and benefits of public employees. Therefore, ACTC is designed to pit the private employee against the public employee. In a labour movement divided between public and private employees, both will lose. No group of workers gains by holding down the wages of another group.

(15) ACTC might lead to regional or zonal rates. Section 68 of Bill C-28 directs arbitrators, and presumably government negotiators, to take "fair and reasonable account of...relevant *geographical*...and other elements of the aggregate of compensation." This seems like the thin edge of the wedge toward regional and zonal rates of pay. This in turn could lead to the break-up of national

bargaining units and the further widening of income disparities between the various regions of Canada.

(16) Comparing poor with poor would not bring justice. Unions should reject comparing the poor wages of one group of workers with the poor wages of another group of workers, with the conclusion that justice prevails because both groups are equally poorly paid. If the government is so keen on comparisons, maybe comparisons should be made with those elements in society that do not work. This would include investors, coupon clippers, land speculators and other persons who produce nothing socially useful but who receive the highest per capita income.

For all of the above reasons, and many more, public employee unions will reject Average Comparability of Total Compensation as a new wrinkle in the government's attempt to control public-employee wages.

Unions will continue to look upon this new technique as a management negotiating tool to inflate and distort the real cost of a union's bargaining proposal.

Effective unions will bargain for wages and benefits, instead of bargaining on the basis of total compensation. They will bargain for collective agreement provisions and benefits on their merits and according to the needs of their members, regardless of some distorted management cost estimates. [g]

Gilbert Levine is director of research for the Canadian Union of Public Employees.

A conversation with J. Taylor Kennedy

by Bill Megalli

When he started his career in 1939 as a miner in Kirkland Lake, Ontario, J. Taylor Kennedy was more than satisfied with his 55-cent hourly rate. Although he had just obtained his master of engineering degree from McGill University and was considering the Services, "that was a lot more money than you could get anywhere else."

As President of the Canadian Manufacturers' Association (CMA) and of Canfarge Ltd., as well as holding several other distinguished positions, Kennedy at 62 stands very near the top. But it is doubtful that he feels satisfied as he ponders the future of his three children, three grandchildren and the rest of Canada. He is also painfully aware that few Canadians are satisfied — no matter how much they may be getting. Expectations are very high.

"We are going to have to work together or we shall drown together"

Having spent 40 years in various strategic positions in business and industry, Kennedy has no hesitation in fingering what he believes to be the main culprit: a government role that has expanded out of all reasonable proportions. Even given the best of intentions, such a role is incompatible with a sound free market system and has damaged healthy rationales for competitiveness and advancement in Canada.

Distribution of income is one thing; producing the wealth or income is quite another. Canada's "drift to the left" in social legislation has been pursued by successive governments, "but," Kennedy stated, "you can do this only for so long, and you always have to ask yourself: what happens after the original wealth is gone?"

The peril is much more obvious in Canada's case because of what

will remain a basic fact of life for decades to come: Canada's need to attract foreign investments. Kennedy feels, "We are just not big enough to generate enough savings with a population of only 22 million; Canada would be in deep trouble without foreign money."

What must never be forgotten is that money for the much fanfares "social" laws has to come from



J. Taylor Kennedy

the pockets of taxpayers themselves, in one form or another. Waste and bureaucracy being synonymous with government spending almost everywhere, the question every individual should be asking himself is: "Would this money not be better used if I spent it myself?"

The same logic applies equally in all instances, Kennedy asserted, even in the proposed \$4-billion fund to cushion certain Canadian industries against the expected removal of protective trade barriers over the next decade or so.

This is by no means an across-the-board anti-government attitude according to Kennedy, who said, "We are going to have to work together or we shall drown together." But the government's

"In the so-called tripartite 'consultations'...the government has been preaching and not listening"

role should be limited as far as possible to creating the appropriate environment for business and investment.

Imposing government will is something else: "In the so-called tripartite 'consultations' involving government, business and labour, the government has been preaching and not listening."

Surprisingly, Kennedy believes relations with labour are good and could become even better if the government restricted its meddling. He also noted that the over-

More and more workers are realizing that their best security is a prosperous company

whelming majority of unions in the manufacturing sector have signed contracts "despite a few sour spots and a vocal minority." More and more workers are realizing that their best security is a prosperous company. Unions too must realize that it is better for their members to be employed year-round at reasonable wages than to be unemployed at much higher rates. Strike settlements at higher wages, usually a few cents per hour per worker, are face-saving but they may cost a company millions of dollars after a strike that itself may have cost several million more, with the loss inevitably affecting everyone — to say nothing of individual loss to the employees.

"Company profits are three or four cents on the dollar, and workers must learn to trust management more," Kennedy said. He also felt management attitudes are the most responsible of all because the primary responsibility of management is to keep the plant going, without concern for votes or political glamour. His feeling was that Canadian manufacturers are not at all averse to employee participation schemes now being applied in Europe, "provided that unions are willing to take the responsibility and match the statesmanship and sophistication" required.

Kennedy joined the Canada

Cement Company as East Montreal Plant engineer in 1940. He was appointed plant superintendent in 1945 and in 1955 was transferred to the head office as project engineer, subsequently becoming general superintendent. In 1962 he became assistant to the president and was promoted one year later to the post of vice-president and assistant general manager.

In the years that followed, he progressed through various posts until he became president and general manager in 1968. When Canada Cement and Lafarge Canada Ltd. merged in 1970, he was appointed president and chief executive officer.

Kennedy retired last year but remains a director and a member of the executive committee of the board of Canada Cement Lafarge Ltd. He has been president of Canfarge Ltd. since 1972 and is also a director in several other companies, including the Montreal Trust Company and Howe Equipment Ltd. He was nominated last June as CMA's new president, having been first vice-president until that date.

Kennedy is active on various other fronts, especially industrial accident prevention. He is a life governor of the Montreal General Hospital and Notre-Dame Hospital and president, governor and director of the Montreal Neurological Hospital.

He serves on the board of governors of McGill University and is chairman of its athletics board. His hobbies include golf, squash, sailing, and skiing. [g]

The inspectorate: Part 1 — Victims or villains?

by Joan C. Brown

The functioning of the occupational health and safety inspectorate has come under a good deal of criticism in recent years in reports of commissions of inquiry and other studies. The main target for attack has been the system in which the inspectors were expected to work, a system which put the inspectorate in the front line of the battle for occupational health and safety, in insufficient numbers, with confused and inadequate battle orders and a poor supply of armaments.

To begin with, the inspectors were working within a system which divided the jurisdiction over occupational health and safety between the departments of labour, mines (or natural resources) and health, and the workers' compensation boards as well as scattering certain responsibilities across departments and agencies such as agriculture, environmental protection and the municipalities. Just for good measure, an element of federal-provincial conflict was introduced from time to time through agencies such as the Atomic Energy Control Board.

The Alberta Industrial Health and Safety Commission (the Gale report) described the system as a "bureaucratic labyrinth." The Ontario Royal Commission on the Health and Safety of Workers in Mines (the Ham report) referred on a number of occasions to divided jurisdictions which made it unclear

where the responsibility to initiate action lay.

The *Comité d'étude sur la salubrité dans l'industrie de l'amiante* (the Beaudry report) described the overlapping and duplication of departmental jurisdictions in the asbestos industry in Quebec as an obstacle to the application of effective occupational health measures. A Science Council of Canada study (*Canadian Law and the Control of Exposure to Hazards*) applied a similar criticism more widely. It noted that three departments in Quebec were involved in ensuring the healthfulness of the work environment and,

Within the various departments involved, the number of inspectors was usually inadequate for the task given to them

moreover, had regulations which were not restricted to their own jurisdictional limits. These regulations (the report said) contain "a jumble of measures dealing with the health and safety of employees and the healthfulness of the premises. The difficulty in finding out who is really responsible often serves as an excuse for government inaction."

Robert Sass, director of the Saskatchewan Occupational Health Division, in a 1975 speech to the Canadian Association of

Administrators of Labour Legislation (CAALL) cites a different kind of problem in pre 1972 Saskatchewan (i.e., prior to the reorganization of the services). He instanced one Regina employer who had had over 20 inspections in a two-year period by various regulatory authorities, resulting in inconsistent and conflicting reports on the occupational health and safety problems in his workplace.

Within the various departments involved, the number of inspectors was usually inadequate for the task given to them. The Ham report, discussing the Mines Engineering Branch Inspectorate of the Ministry of Natural Resources, said:

...the inspectorate has, in the Commission's view, been understaffed and inadequately funded for its role both in accident prevention and in the protection of the health of workers, and no doubt these circumstances have affected its morale.

Bruce Doern (in *Regulatory Processes and Jurisdictional Issues in the Regulation of Hazardous Products in Canada*) suggests that this was common across Canada. He commented that "most regulatory agencies in Canada tend to be rather sparsely staffed. Their compliance capability does not usually measure up to their regulatory intent." An

extreme example of this can be found in Newfoundland and Labrador where in 1972 the Workmen's Compensation Board safety department reported that its work, which included the enforcement of safety regulations and industrial safety education, was performed by two inspectors and the director. (annual report, 1972).

In the same year, the British Columbia Ministry of Labour's Factory Division (which shared some of the B.C. Workers' Compensation Board's safety responsibilities) had eight inspectors who were endeavoring to cover an estimated 35,000 places of employment (annual reports 1972 and 1973).

...where a wide range of knowledge was called for, the inspectors were frequently at a disadvantage

Labour Canada also came under criticism (in 1976) from the Commission of Inquiry on Health and Safety in Grain Elevators (the Finn report) for failure to provide sufficient manpower in the Vancouver office to ensure proper inspection and regulation of the West Coast elevators. Doern, director of the School of Public Administration at Carleton University, observed (in 1977) that Labour Canada officials "acknowledge that they remain grossly understaffed in the field."

Although many of the larger departments had much better staffing levels and many of the smaller inspectorates were enlarged from about 1974 onwards, the ratio of staff in relation to the number of worksites rarely enabled a comprehensive enforcement ability. The Ontario Ministry of Labour, reporting on its Construction Safety Branch in 1974-75

...the inspectors had only limited outside help in illuminating the problems they were trying to control

(annual report) gave the branch staff numbers as 132 including supervisory and clerical staff, and the number of inspections and special visits made in the year as 63,920. Even without taking into account travelling and reporting time, holidays, etc., the figures suggest a breathless pace of inspections.

The Gale report produced a composite description of the duties of an inspector:

Our analysis of the various duties currently performed by a field inspector reveals a wide variation of functions. We note that in addition to his technical abilities, he is required to perform in many other capacities as well. To some degree, he is required to consult, teach, persuade and promote. In addition, he must research, analyze and then report his findings carefully along with present recommendations. He must exercise discretion in the application of the rules and be able to interpret them to the worker, employer, the union or to members of his own division. Furthermore, he must be able to issue enforcement and compliance or improvement notices, cease and desist orders and closures, and take part in injunctions, prosecutions and other court actions such as appearances before coroners. He frequently assists in revising, updating and extending regulations.

This "wonder man" was not the product of formalized training. The Gale report found that the inspectors relied on "their own occupational experience and basic good

intelligence supplemented by various in-house educational programs." Many inspectors brought to the job good qualifications and extensive professional experience. Others (according to Bruce Doern) had educational qualifications, which were regarded as inferior.

Most of the regulatory departments ran in-service training programs and sought ways to help the inspectors keep up with technological developments. Inevitably these arrangements varied in quality, and there appears to have been a dearth of basic training material. In 1973-74, CAALL's safety committee decided to attempt to develop a common training manual. Reporting in the Canadian Standards Association *Quarterly Review* (January 1974), J.L. Sisk said that "although scattered pieces of training material are available, the Committee's efforts in this area appear to be the first co-ordinated attempts to develop a manual suitable for safety inspectors in all jurisdictions."

Where the inspectors were able to concentrate on a particular task — such as the regulation of boilers, elevators or electrical systems — they were able to develop a high level of expertise enabling them not only to carry out routine inspections, but to deal effectively with unusual and dangerous occurrences. Similarly, mines inspectors dealing with disaster situations often performed exceptionally well. However, where a wide range of knowledge was called for, the inspectors were frequently at a disadvantage.

The Ham report noted that the Ontario Mines Engineering Branch lacked independent expertise in dust control and ventilation, and although it was inspecting metallurgical plants, did not possess expertise in these processes. Both



" NEVER MIND THE MACHINES — KEEP AN EYE ON HIM ! "

appears to be the attractive offers which industry is making for the services of persons with the qualifications required of a safety inspector."

Industry attitudes on the other hand were not always favourable. The Ham report suggested that the inspectorate should have "not only the professional capacity to comprehend the full range of mining operations but also the standing to influence the commitment of senior management to the effectiveness of the internal responsibility-system." These were not found to be available. Bruce Doern suggested that those being regulated often tended to view the inspectors as second-class policemen.

Finally, the theory upon which occupational health and safety arrangements were based was questionable. The system was founded on the assumption that the employer was legally and financially responsible for the health and safety of workers; that this was the sole responsibility of management; that industry was largely capable of regulating itself and willing to do so, and that the role of government (and thus the inspectorate) was to encourage and support this self-regulation. While government should set standards where necessary and have the power to enforce them, government intervention could and should be kept to the minimum, and wherever possible education should be preferred to enforcement.

As a theoretical base it had serious weaknesses. It largely excluded the workers from a share in regulating occupational health and safety, it under-estimated the clash between safety and profits in the priorities of management, and it accepted a relatively weak role for government. The legislation and regulations which emerged

Beaudry and Gale found the inspectorate heavily oriented toward work accidents and ill-equipped to deal with occupational health hazards. In some provinces this lack was supplemented by the health department, but in others no alternative source of expertise was available.

The problems of the inspectorate were further compounded by the fact that research on accident prevention and prevention of occupational health hazards was (and still is) seriously underdeveloped in Canada. Thus the inspectors had only limited outside help in illuminating the problems they were trying to control.

As a group the inspectors were not accorded a high status in the public service. This made it difficult to recruit and retain qualified and experienced persons. The

Gale report noted that the income and incentives for advancement were not always sufficient to compete with what was available elsewhere. Gale wanted to see a review of the position classification structure for all the inspection

As a group the inspectors were not accorded a high status in the public service. This made it difficult to recruit and retain qualified and experienced persons

staff to establish an adequate and uniform career series for inspectors. The Industrial Safety Branch of the New Brunswick Department of Labour and Manpower reflected this problem in its annual report for 1975. It reported a large staff turnover and difficulty in obtaining replacements. "The reason for this

from this theoretical approach and upon which the inspectorate's authority was based, were often weak and inadequate in their coverage, and left a great deal to the discretion of the inspectorate.

The Beaudry report described the laws and regulations relating to the asbestos industry in Quebec as imprecise, insufficient and difficult to apply. The report was critical of the use of such terms as "all reasonable means," "suitable and efficient means," and "as far as is reasonably practicable" without either clear definitions or guidelines for their application. The Ham report noted that the Ontario Mining Act, which required the training and supervision of miners as a means of accident prevention, also used terms such as "adequate experience," "qualified," "approved," "authorized" without defining their meaning.

The system was founded on the assumption that...the health and safety of workers...was the sole responsibility of management; that industry was largely capable of regulating itself and willing to do so

In many important areas, particularly those relating to health hazards, basic standards had not been set or were in the form of guidelines or voluntary codes. As the Ham report pointed out, "in the absence of statutory standards for dust, a mines inspectorate is limited in the effectiveness with which it can demand compliance..."

The Science Council of Canada study, *Canadian Law and the Control of Exposure to Hazards* found that in Ontario, asbestos dust standards were regulated by a combination of two methods; first,

through the regulations of the Industrial Safety Act which required the removal of contaminants "so far as practicable," and second, through the establishment of maximum levels (published in Data Sheets) or threshold limit values (TLVs) which were in effect guidelines for the implementation of the regulations. The report goes on:

While failure to comply with the published TLV may be considered failure to take all practicable measures, and therefore an offence under the regulations, the vagueness of the criteria in the regulations makes a successful prosecution a very remote possibility. The Data Sheet maximum levels are therefore essentially guidelines unenforceable in law.

The same report was critical of guidelines established for polyvinyl chloride in four provinces (Alberta, British Columbia, Ontario and Quebec), none of which were considered to be enforceable.

Where the regulations were enforceable, the penalties likely to result from prosecutions often bore little relationship either to the seriousness of the offence, or the desirability of deterring future offences. In British Columbia, for example, the maximum penalty under the accident prevention regulations until 1974 was \$500. The fact that in that year it was found necessary to raise this maximum to \$10,492.55 highlights the inadequacy of the earlier figure (B.C. Workers' Compensation Board annual report for 1974).

While some other provinces had raised their maximum levels much earlier than British Columbia, there was no guarantee that the courts would impose maximum penalties, and occasionally the paltriness of the fines imposed threatened to make a mockery of the whole

The legislation and regulations...upon which the inspectorate's authority was based, were often weak and inadequate in their coverage

process. The *Globe and Mail*, in 1975 reported an Ontario case in which three workers were killed in a trenching accident. The owner was fined \$100. Two trenching accidents in Nova Scotia, each involving the death of one worker, brought fines of \$300 (in 1971) and \$1,000 (in 1975) according to the labour department annual reports. Even the last of these penalties can scarcely be regarded as adequate where deaths have resulted from breaches of known safety regulations. Indeed, penalties of this kind must have discouraged the inspectorate more than the offending employer.

In the light of all this, the inspectorate could well be regarded as victims of an unsatisfactory system which had made their task an impossible one. However, before accepting this view too wholeheartedly, it is necessary to examine the evidence that the policies adopted by the inspectorate in implementing health and safety provisions often served to get the worst out of an already inadequate system. While this may have been due in part to the unwillingness of politicians to support an aggressive policy which might "inconvenience" industry, the vigor with which some senior members of the inspectorate defended their policies before commissions of inquiry suggests that, to say the least, they were not wholly dissatisfied with the situation.

The inspectorate in the main accepted the prevailing view that safety was the sole responsibility of management. Relationships

were developed between the inspectorate and company management or industry representatives, arrangements which usually excluded the workers and the unions either wholly, or when the key decisions were being made. The worker's right to know about hazards to his health and safety was frequently ignored. The observations of the inspector and the findings of special studies were reported to management but not to the workers. In many instances the relationship between the inspectors and the unions was at best uneasy and at worst downright hostile.

The West Coast unions told the Finn Inquiry that Labour Canada's inspectors were "too chummy with management." They complained that the inspectors didn't get union representatives to accompany them on inspection tours, nor were the unions given copies of the inspection reports which went only to management. The Finn report comments:

With regard to the charge of being "too chummy with management," the Commission considers that Labour Canada has laid itself wide open to such a charge by its almost exclusive relationship with management on matters relating to inspection and regulation. In the best of circumstances such a relationship is unwise; in an industry which has not enjoyed the best of labour relations, it is a serious tactical mistake.

In Ontario, the Ham report noted that the Mines Engineering Branch placed strong reliance on the self-regulatory initiatives of industry and had established technical standards and codes of requirements through consultation with industry and the Mines Accident Prevention Association, an employer safety association. Ham added, "such consultation

Where the regulations were enforceable, the penalties likely to result from prosecutions often bore little relationship either to the seriousness of the offence, or the desirability of deterring future offences

between the branch and the industry has come to be seen by the unions as at best accommodation of interests and at worst collusion."

In evidence before the Ham Commission, the United Steelworkers documented many cases of hostility and lack of co-operation between the mining inspectorate and the union, and said bluntly:

To stay alive on the job, mine workers should be able to look to

the Mining Act of Ontario and the department that enforces it, the Ministry of Natural Resources. Unfortunately, for a long time mine workers have learned from tragic experience to regard the Ministry of Natural Resources as simply an extension of mine management into government.

This lack of confidence in the inspectorate was strengthened by the nature and outcome of the regulatory policies adopted. The successful functioning of any self-regulation system requires a reasonable balance between education, the exercise of discretion and enforcement. Too often this reasonable balance did not exist. The weakest element almost invariably was enforcement.

Enforcement was not, of course, altogether neglected. Every year



many thousands of directives were given by the inspectorate on unsafe conditions they had observed, and many hundreds of stop-work orders were issued where highly dangerous situations were found. According to the annual reports of the various regulatory authorities, the vast majority of such directives and orders were complied with and the unsafe condition rectified. However, other hazardous conditions were allowed to persist.

The Beaudry report found that no attempt had been made to institute proceedings against Quebec asbestos industry employers who had neglected to apply the occupational health regulations, though it also commented that the fines provided in the legislation — \$25 — offered little encouragement to the inspectors to prosecute.

In Alberta, the Gale report noted that the Workers' Compensation Board (which then exercised regulatory authority) had downgraded the image of "policeman" and preferred to project the image of an educator whose main task was to change attitudes at the work site. The Commission added that it was "distressed to hear that this approach was not always perceived in this manner by the work force which frequently viewed the inspector as an agent of the employer." Gale agreed that the inspectorate ought to be oriented toward prevention through education, but added that "the inspectorate should also pursue a policy of rigorous enforcement utilizing the sanctions of the law widely and to the full." Rigorous enforcement had not always been evident in the past. The Commission in fact found that in several cases of persistent and blatant neglect of the regulations, enforcement had been weak.

The Finn report described the policy of Labour Canada as one which "rejects strict enforcement of the regulations as an important weapon in promoting health and safety in grain elevators, and relies too much on persuasion and encouragement of employers." The Commission did not reject the idea of encouragement and education to improve self-regulation, but considered that the economic pressures to maximize profits frequently rendered it ineffective as a policy. In those circumstances, more rigorous enforcement was necessary, and this had not been forthcoming. The report comments:

In many instances the relationship between the inspectors and the unions was at best uneasy and at worst downright hostile

It is clear from the evidence before the Commission that effective measures have not been taken to ensure compliance with the regulations. During its own inspection of the elevators, the Commission discovered many examples of non-compliance and many practices that could not be considered either safe or prudent, non-conforming electrical equipment, "blowing down" during plant operations, inadequate house-keeping, inadequate dust control, unsafe practices in the use of pesticides, inadequate or no alarm systems, a lack of emergency planning, and little or no regularly scheduled maintenance. This unsatisfactory state of affairs must surely have been equally evident to Labour Canada inspectors.

The Beaudry report singled out for adverse comments the use of the inspector's discretionary power. The availability of such powers is not, of course, an ill in itself,

especially if reasonable limits are placed upon them. The Nova Scotia Department of Labour, for example, reports that "a code rule or regulation may be modified by the chief inspector. In all such cases a minimum acceptable safety standard must be the basis for any modification." (Annual reports 1971-1976).

Without such limitations, however, and in the context of a rather too cosy relationship between the inspector and the management, discretionary power can too readily come to be used to the detriment of workers. Beaudry found evidence of too much discretion and too little firmness in the application of regulations in the asbestos industry in Quebec. He concluded that the regular exercise of discretion had led to inadequate preventive measures, the expression of recommendations in the form of pious wishes, and weakness in the application of laws and regulations.

This rather black picture of the operations of the inspectorate, while well based on the evidence, is not the whole story. Even before action was forced upon government and the inspectorate by the revelations of the commissions of inquiry, some sections of the inspectorate had been reviewing their policies and basic assumptions and seeking more effective means to regulate occupational health and safety. These initiatives, as well as developments emerging from the inquiries, will be discussed next month in *Part 2* — *Change and development.* [g]

Joan C. Brown, a social policy analyst, is the author of How Much Choice? Retirement Policies in Canada and A Hit and Miss Affair: Policies for Disabled People in Canada, published by the Canadian Council on Social Development. She is also former Secretary-General of the Australian Council of Social Service.

Labour Legislation in Canada, 1977

Part 4: Employment standards

by S. Allan Nodwell

The most important changes in employment standards last year came with the proclamation of the Saskatchewan Labour Standards Act, 1977. Manitoba amended the Employment Standards Act, the Vacation-with-Pay Act and the Payment-of-Wages Act. Other minor changes were introduced by the federal, Alberta, British Columbia, Nova Scotia, Northwest Territories and Quebec jurisdictions. Several changes in minimum wage legislation also took place during the past year.

Federal

Canada Labour Code

Subsection 60 (2) is repealed and the following substituted:

A copy of any notice given to the Minister under subsection (1) shall be given forthwith by the employer to the Canada Employment and Investigation Commission and to any trade union certified to represent any employee in the group of employees whose employment is to be terminated or recognized by the employer as bargaining agent for any such employee; and where any employee in such group is not represented by a trade union, a copy of such notice shall be given to him or posted forthwith by the employer in a conspicuous place within the industrial establishment in which that employee is employed.

Section 60.1 is repealed and the following substituted:

An employee who gives notice to the Minister under section 60 and any trade union to which a copy of such a notice is given shall provide to Canada Employment and Immigration any information requested by it for the purpose of assisting employers to whom the notice relates and shall operate with that commission to facilitate the re-establishment in employment of those employees.

Country Elevator Agents and Managers: Hours of Work Regulations Exemption

Country Elevator Agents or Country Elevator Managers employed in the grain industry in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia are exempted from sections 29 and 30 of the Act until August, 1978 (hours of work).

Scheduling Hours of Work

For the purpose of these Regulations, hours of work may be scheduled and actually worked without regard to section 31 of the Act.

Canada Shipping Act

Hours of rest

Safe manning regulations were issued under the Canada Shipping Act. On every ship under federal jurisdiction, other than a fishing vessel:

(a) the complement shall be sufficient; and

(b) a watchkeeping or work system shall be established to ensure that all persons have a rest period of at least 6 consecutive hours in every calendar day they are employed on that ship.

In ships where three or more watches are established, a person's 6 hour rest period may overlap from one calendar day to the next in one of the watches.

Not more than 18 hours and not less than 6 hours shall elapse between the end of one rest period and the beginning of the next.

Every person shall have a total of at least 16 hours of rest in every 2 consecutive calendar days he is employed on a ship.

Where a person employed on a ship for the purpose of attending to its safe operation was, immediately prior to that employment, employed by the same employers in any capacity, the last calendar day of such prior employment shall be counted as employment on that ship.

Where any person is, required to attend to a specific emergency or an emergency drill during his rest period, any time so spent shall, be considered as part of his rest period.

Alberta

Hours of work

Effective February 1, 1977,

Alberta's Board of Industrial Relations Order No. 46(1976) Governing Hours of Work and Minimum Wages for Overtime of Persons Engaged in Oil Well Servicing set maximum hours at 12 a day and 191 a month. Overtime for additional hours worked shall be paid at one-and-a-half times the ordinary rate. Employees who work less than 191 hours in their first or last months shall be paid overtime for each hour in excess of 12 hours a day or 44 hours a week.

The hours of rest are established as follows:

- (a) 24 consecutive hours in each 7-day period
- (b) 48 consecutive hours in each 14-day period
- (c) 72 consecutive hours in each 21-day period
- (d) 96 consecutive hours in each 28-day period

Order No. 42(1976) Governing Hours of Work and Minimum Wages for Overtime of Persons Engaged in Field Catering, Geophysical Exploration, Land Surveying or Logging and Lumbering applies to employees in undertakings at least 10 miles from any city, town or village having a population of 1,000 or more or within any town or village of less than 1,000.

Maximum hours shall not exceed 10 a day or 191 a month and overtime rates at one-and-a-half times the ordinary wage must be paid for additional hours. Where an employee worked less than 191 hours in the first or last month that he was employed, he shall be paid at the overtime rate for hours worked in excess of 10 hours a day or 44 hours in each consecutive period of 7 days.

Rest periods are the same as for employees in oil well servicing.

Order No. 53(1076) Governing Hours of Work and Minimum Wages of Salespersons Engaged in Specified Occupations sets the minimum wage at \$120 per week. An employee or employer is exempt from the payroll records and maximum hours provisions of the Alberta Labour Act.

The wages paid may be so adjusted that the employee shall be paid not less than the minimum wage, provided that the period of adjustment shall not be more than one month.

Manitoba

Hours of work

The standard hours of work for an employee are 40 hours a week and 8 hours a day. An employer may not require an employee to work more than the standard hours, except in specific emergencies.

Paid Vacations

The employer, at the time of termination, shall pay to the employee:

(a) not less than 4 per cent of the wages paid during regular working hours since employment began or the employee last became entitled to a vacation with pay.

(b) where the employee has been employed by the employer for 5 or more years and has worked for at least 50 per cent of the regular working hours in each of 4 years in the preceding 10 years, an amount not less than 6 per cent of the wages paid to the employee during the regular working hours worked by him since he last became entitled to a vacation with pay.

Where an employee has worked during a 12-month period but does not qualify for vacation with pay (less than 95 per cent of regular working hours) he shall be paid in accordance with (a) or (b) above.

Every employer shall hold the vacation wages and allowances accruing due to an employee in trust and the employee has a lien and charge in the amount of the vacation wages and allowances of the assets of the employer.

Payment of Wages

Wages shall be held in trust by the employer and the employee has a lien and charge in the amount of wages on the assets of the employer.

Any money received by the division shall be held in trust for the employee and shall be paid to the employee complainant or the employer as the case requires.

Upon an appeal where the applicant is an employer, he shall when he files his appeal pay into the country court the amount ordered to be paid, and upon completion of the hearing the judge may order the disposition of these monies. An order paid under this Act by a division, board, judge or magistrate, for the payment of monies or wages, shall require payment of the wages:

(a) by the person who is primarily liable for the payment thereof; and

(b) where the person who is primarily liable is a corporation, and the corporation fails or is unable to pay the wages, by the directors of the corporation, and the liability of the directors for the payment is joint and several.

Northwest Territories

Unfair Dismissal

If under the Wages Recovery Ordinance the justice is satisfied that the cause of complaint has been established, he shall order the employer to pay the employee the wages due to him and may

release the employee from his engagement if the term of his employment has not expired.

If an improper dismissal occurs, the justice may order payment of up to \$1,000.

Any amount ordered to be paid shall not exceed the amount, if any, by which \$6,000 exceeds the amount ordered to be paid exclusive of the costs of prosecution. Where a justice in examining a complaint for improper dismissal is satisfied that the employee was dismissed from the employment of the employer for good and sufficient cause and that wages are due to the employee, he may order the employer to pay the employee the wages due, not exceeding six months' wages or \$6,000, whichever is the lesser, together with the costs of prosecution.

Where an order of a justice releases an employee from his engagement or orders the payment of at least \$200 exclusive of costs, an appeal lies to a judge of the court.

An appeal shall operate as a stay of proceedings only in respect of the amount by which the award exceeds \$1,000.

Nova Scotia

Civil Servants

The Commission shall, upon the request of a female employee and receipt of a certificate from the Administrator of Family and Child Welfare stating that the said employee has filed a notice of proposed adoption under the Adoption Act of a child five years of age or younger, grant the employee a leave of absence without pay for the week in which the adoptive child comes into full care of the employee and up to four additional weeks as the employee requests.

Québec

In Québec, Ordinance No. 15, 1977 (paid legal holiday) establishes the 24th day of June as a paid legal holiday. When it falls on a Saturday, the paid legal holiday shall be the preceding Friday, and when it falls on a Sunday, it is deferred to the Monday following.

The Ordinance governs employees to whom the minimum Wage Act applies and their employers in all types of labour, industry, business, service, trading or affairs of any kind whatsoever. It does not apply to the employer's spouse or children.

Any work carried out on the 24th day of June, or the day in lieu thereof, is paid at double time, provided that the employee is present on both the preceding and the following working day, or is absent with the employer's consent.

Saskatchewan

Saskatchewan proclaimed in force the Labour Standards Act, 1977, on October 29, 1977.

The hours of work provision is inapplicable to employees who perform entirely managerial tasks.

The Act does not apply to employees employed primarily in farming, ranching or market gardening, but the operation of egg hatcheries, greenhouses and nurseries, or bush clearing operations are not within the meaning of those terms.

The parts governing hours of work, annual vacations and public holidays do not apply to teachers as defined in section 2 of the School Act.

The definition of "day" relieves retail establishments which remain open one night per week from the

obligation to pay overtime unless a special permit is obtained.

An employee is not required to work beyond 44 hours per week. Maternity leave of 18 weeks may commence at any time prior to the birth of a child.

Penalties for offences under the Act have been increased to \$200 and in default of payment to imprisonment for up to 30 days, and in each subsequent offence to a maximum fine of \$500 or a maximum imprisonment of 90 days.

Minimum Wages

Alberta

Alberta raised its minimum wage, effective March 1, 1977, to \$3.00 per hour for employees over 18 years, \$2.85 for employees under 18 years, and \$2.50 for students under 18 years employed part-time. Allowable deductions are \$1.00 for a single meal and \$1.25 per day for lodging.

British Columbia

Administrative amendments were brought forth as follows:

Section 5(1) The Lieutenant-Governor in Council may make regulations establishing minimum wages and overtime rates of pay for employees or classes of employees in such manner and applicable to such employees or group or classes of employees, in such manner and applicable to them, and in such areas as the Lieutenant-Governor in Council considers advisable.

(2) The Board shall, at least once each year, review minimum wages and overtime rates of pay and report to the Lieutenant-Governor in Council its recommendations respecting revision of the mini-

mum wages and overtime rates of pay established under section (1).

6. The Board may, after holding such inquiries as it considers adequate, make orders establishing conditions of labour and employment, in such manner and applicable to such employees or group or class of employees, and in such areas as the Board considers advisable.

7. In the case of an employee classified by the Board as handicapped, as a part-time employee, or as an apprentice, the Board may notwithstanding a regulation under section 5, authorize in writing the payment of a wage or overtime rate of pay less than the minimum wage or overtime rate of pay established under section 5 and may limit and define the number of handicapped, part-time, or apprenticed employees to whom the lesser wage or overtime rate of pay fixed under this section is applicable.

Manitoba

In Manitoba, effective May 1, 1977, the wages for employees engaged in the Heavy Construction Industry will vary between \$3.15 per hour for flaggers and watchers and \$6.30 per hour for crane operators.

In addition, effective May 1, 1977, the wages for employees in the Construction Industry Outside Greater Winnipeg and not on Major Building Projects will vary between \$3.25 per hour for students and \$9.60 per hour for plumbers and steamfitters. Hours of work vary between 40 and 44 hours.

Newfoundland

A new Schedule of Wages and Hours and Days of Labour formulated pursuant to the Industrial Standards Act for the Painting and Decorating Industry established

wages varying between \$6.57 for glaziers and \$7.17 for designated charge hands.

A new Schedule of Wages and Hours and Days of Labour formulated pursuant to the Industrial Standards Act for the Carpentry Industry set wages at \$8 per hour for carpenters and sawfilers, with premiums of 25 units per hour for lead hands and 45 units per hour for foremen.

Ontario

In Ontario, the schedule in the Men's and Boys' Clothing Industry was amended effective April 12, 1977, and will vary between \$2.65 per hour and \$4.02 per hour depending upon classification and locality. In order to qualify for year-end holiday pay, an employee shall work or be available for work on the two regular working days next preceding Christmas Day and on the two regular working days next following New Year's Day.

Prince Edward Island

Prince Edward Island amended the minimum wages to provide \$2.70 per hour for employees 18 years and over and \$2.35 per hour for employees under 18 years. Allowable deductions are as follows:

Board and Lodging	\$20.00 per week
Board only	\$14.00 per week
Lodging only	\$ 6.00 per week
Single meals	\$ 1.00 per meal.

Québec

Under the Construction Industry Labour Relations Act, wages will vary from \$9.69 per hour on December 6, 1976, \$10.97 on May 1, 1977 and \$12.17 on May 1, 1978, for an elevator mechanic to \$6.16, \$6.45 and \$6.79 on respective dates for a storeman.

Ordinance No. 4 has been twice amended to provide wages of \$3.15 per hour on July 1, 1977, and \$3.27 on January, 1978, for adult workers and \$2.95 and \$3.07 for employees under 18 on the same dates.

Ordinance No. 9 was amended as follows:

(a) wood cutters paid on a piece-work basis are entitled for each working day of a calendar month to an average rate of \$33.10 per day;

(b) other helpers hired on a contract basis, cook, kitchen-helpers, fire rangers: \$28.50 per day;

(c) watchmen: \$26.50 per day;

(d) other employees: \$3.15 per hour.

Ordinance No. 10 was amended July 1, 1977:

(a) employees less than 18 years of age: \$2.95 per hour;

(b) cooks, kitchen helpers, watchmen: \$26.95 per day;

(c) other employees: \$3.15 per hour.

Ordinance No. 13 was amended effective July 1, 1977, with salaries varying from \$3.15 for watchmen to \$4.92 for carpenters. Ordinance No. 14 was amended effective July 1, 1977, to provide in Region I, wages varying from \$2.95 for employees under 18 years to \$3.72 for butchers, and in Region II, \$2.95 for employees under 18 years to \$3.33 for butchers.

Saskatchewan

A two-step amendment raises the minimum wage to \$3.15 on January 31, 1978, and to \$3.25 on June 30, 1978. [19]

comment

Learning from the Yugoslav experience in self-management

After several transformations, the Yugoslav system of self-management is now based on relatively small economic units functioning within the enterprise. These units are expected to practise collective decision-making on a wide range of matters. Within them function the basic cells of the ruling party, trade unionism, youth organization and the women's league. All these organizations participate in the mechanism of workers' control which is expected to be a powerful weapon against any abuse of the self-management principle for the particular interests of local groups of individuals.

Yugoslav experts admit that the implementation of self-governing socialism is full of contradictions in their country. The state bureaucracy seeks its own vested interests and limits the scope of self-management. In addition, there are contradictions between self-management and the authority and discipline required by the central plan, between self-management and the local bureaucratic elites, and between self-management and market relations.

The present-day Yugoslav model shows several tensions that are unavoidable in attempts to reconcile such divergent factors as a powerful state, one-party rule, central planning, free market economy and self-management at the local level. There is still an asymmetrical distribution of power at various levels which undermines

the effectiveness of self-management.

The western collective bargaining system is superior to the Yugoslav self-management system in dealing effectively with industrial conflicts. The bargaining partners do not tend to eliminate or subdue one another. The true interests of workers are better represented. Participation, even if more limited, is at least effective.

Participatory democracy may and should be gradually introduced into North American enterprises without necessarily referring to state socialism. In eastern Europe, participatory democracy has been treated mainly as a suitable way to avoid the pitfalls of excessive bureaucratization. For example, in Poland, workers' councils were introduced in 1956 in order to improve the management of state enterprises run by incompetent and narrow-minded servants of the ruling party. The brokerage function played by works councils is

appropriate for state socialism in eastern Europe but is not directly applicable to North America where unions are independent and have well established communication channels with management and the state.

The problems faced in Yugoslavia are only partly related to one-party rule and the social ownership of the means of production. There are several vital questions related to the general issue of the relationship between participatory democracy and management or between self-management units and the free market economy. In both these aspects, there is plenty to learn from the Yugoslav experience. On the other hand, it is necessary to experiment in North America primarily with new organizational forms of work that fit local traditions and conditions.

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CCA's position on 'right-to-work' laws

An article entitled "The case against 'right-to-work' laws" by Ed Finn was published in *The Labour Gazette*, October 1977. The French language edition published the same article in May 1978. It came to my attention when it appeared in Ottawa's French language daily newspaper, *Le Droit*, May 11, 1978.

In attempting to make his case against "right-to-work" laws, the author states:

The Canadian Construction Association is pushing for right-to-work laws to apply to the building of the proposed northern oil and gas pipeline. The CCA's excuse is that

it wants to hire native Northwest Territory workers instead of the unionized construction workers in the South.

This statement is false, without foundation and I can only assume is a figment of the author's imagination. No such representations or "excuses" in support of them have been made by the Canadian Construction Association.

I wish to set the record straight because I believe your readers have a right to know the position of CCA on this issue.

CCA membership is made up of employers whose employees are unionized and employers whose employees choose not to belong to a trade union. The CCA represents and services both groups without making any distinction between the two. It does not advance the interest of either group at the expense of the other. The Association's policy is clear and unequivocal on this issue.

The CCA believes that a competi-

tive free enterprise system promotes efficiency and productivity and ensures productive investments and expenditures. It advocates a legislative framework which recognizes and protects the right of unionized and union-free construction operations to co-exist within the industry.

Repeatedly, I have publicly drawn the attention of "organized" contractors and trade union leaders to the predictable market reaction of a failure to ensure that their collective bargaining remains responsive to the economic environment in which they operate.

The record of the "open shop" movement which now accounts for over 60 per cent of all construction in the United States is a dramatic example of how the market system does react to the irresponsible exercise of market power. Contrary to what the article would have your readers believe, the "open shop" sweep is not confined to the 'right-to-work' states, it extends to all states and all types of construction work including heavy engi-

neering and industrial construction, which a short five years ago, were considered trade union bastions.

The "open shop" inroads in British Columbia, Alberta, and other parts of Canada which are finally beginning to concern a number of trade union leaders are not being made under the umbrella of right-to-work laws. Buyers of construction are taking a hard look at what their investment dollar will buy for them under available options.

If right-to-work laws come to pass in Canadian jurisdiction, and this may well happen, it will not be, as the author claims, because of the "lobbying efforts" of the CCA. Rather, the enactment of such laws will reflect public reaction to the abusive exercise of monopoly powers some unions have acquired in the labour markets they claim to serve.

Henry de Pujalon

President
Canadian Construction Association

Books

Industrial Democracy in Western Europe:

a North American perspective

by **John Crispo**; indexed;
McGraw-Hill Ryerson, Toronto
1978; 181 pages.

Readers of *The Labour Gazette's* continuing series of articles about industrial democracy will find Professor Crispo's study of the

latest developments in Western Europe exceptionally interesting. While he covers much of the ground already discussed by the *Gazette's* contributors, he does so in such a clear and comprehensive fashion that much new light — and insight — is provided.

Crispo's book, in my view, is by far the best yet written on this subject for Canadian readers. He spent a

year travelling around Europe, talking to union, business and government officials, and delving into the many varieties of industrial democracy now flourishing on that continent. He writes from first-hand observation rather than from the second-hand research of others. Most importantly, he has looked at European trends from a North American perspective — as the subtitle of his book indicates.

The diversity of industrial democracy in Europe — ranging from the virtual state corporatism in Austria to the first tentative steps toward joint decision-making in Britain — is bewildering in its complexity. Some countries, such as West Germany, have developed co-determination. Others have embraced some form of tripartism. In others, emphasis is on works councils and shop-floor democracy. Then there is the growing practice of putting workers on company boards, and the many experiments in job enrichment that have transformed European industry in the past few decades.

Crispo not only guides us deftly through this labyrinth of change, but explores the different cultural, social and economic forces that have combined in each country to shape its distinctive approach to workplace democracy.

The differences between the various European nations, however, are in the means rather than the end. They all have basically the same objective, which is to replace managerial authoritarianism with some form of consultation and “management by consent.”

It hasn't been — and still isn't — an easy adjustment, either for unions or companies. The problems they have to overcome are staggering. How do union leaders engage in summit-level sessions with top managers without betraying — or seeming to betray — the interests of their members? How do managers learn to run a business by winning the co-operation of employees instead of barking orders at them?

Business and labour leaders in Europe are still grappling with these and many other difficulties, and Crispo doesn't try to minimize them. But he does emphasize that they are regarded as problems to

be solved, not as insurmountable barriers. The contrast between Europe and North America is as much in attitude as in structure. Given a will to introduce democracy into plants and offices, any country can devise a model suited to its socio-economic system. What is missing in Canada and the United States — on the part of all the economic and political institutions — is the will rather than the way.

The message Crispo hammers home is that most countries in Europe have made the commitment to change. “The growth in the desire for union and worker participation...is ruling out autocratic, authoritarian or paternalistic administrative procedures.” Such procedures, he says, “simply will not be accepted or tolerated much longer in most of Western Europe.”

In addition, industrial democracy has facilitated the kind of tripartite consultative mechanisms that are essential to national economic planning. The interests of the various parties have been co-ordinated with those of the state to produce a more rational industrial strategy.

“The most fundamental challenge confronting the North American collective bargaining system,” Crispo contends, “appears to be one it cannot possibly meet without some dramatic and drastic changes among both employers and unions. The idea of a free collective bargaining system functioning almost oblivious to national economic and social developments and priorities is becoming increasingly untenable. Yet neither employers nor unions in North America are really prepared for anything else. Instead they engage in a largely unco-ordinated and unrestrained dog-eat-dog free-for-all over the spoils

of different plants, companies and industries....

“A more enduring and intelligent way must obviously be found to bring some degree of compatibility between labour and management wage and price setting procedures and government fiscal, monetary and related policies. The two sets of mechanisms involved cannot continue on their often distinct and separate courses without setting the stage for more frequent and serious collisions between them.”

Crispo is no ivory-tower theorist. He knows that European-style industrial democracy and tripartism cannot be transplanted intact to North America. In fact, he warns against any such simplistic notions. But he also warns unions, companies and governments in Canada and the U.S. not to ignore the European innovations.

“The socio-economic-political challenges confronting the U.S. and Canada,” he says, “are serious enough to warrant the consideration of alternative approaches. Changes are inevitable, the only uncertainty being whether they come “by design or default.”

Crispo is convinced that if our labour relations practitioners continue to rely on conflict instead of some co-operative arrangement, “they will set the stage for more and more unilateral government intervention.

“Somewhere in between North America's romantic old-fashioned view of free and unfettered collective bargaining and the ultimate threat of an undemocratic corporate state lies a reasonable and realistic accommodation (with) Western Europe's various forms of industrial democracy. The challenge for labour and management is to discern that

accommodation and work toward its implementation."

A tall order, given the powerful vested interests in the status quo that our collective bargaining system has acquired. But it may be that the lessons of European reform, together with the lessons of the recently terminated wage and price control legislation, will combine to prompt our business and union leaders to rethink their respective dogmas.

Crispo's book gives needed impetus to this rethinking process. It is not possible, in a brief review, to convey the rich texture of his writing, the depth and scope of his analysis. He has tackled an enor-

mously complicated and controversial subject and distilled all its important aspects into 181 fact-and-idea-filled pages. And he has done it in plain English, uncluttered by academic verbosity or footnotes.

It's a book that deserves a wide readership, especially by our union officers, businessmen and politicians. Whether they agree with Crispo's opinions or not, his book will help them understand what is happening in Europe, and why North America cannot much longer isolate itself as the last bastion of managerial autocracy.

Ed Finn

Special Services of Rural Workers' Organizations

International Labour Office,
Geneva, 1978; 90 pp.

With pitifully limited resources and against great odds, rural workers' organizations are proving that they can help change the face of their nations and perform feats that governments themselves have not been able to accomplish.

Patterned along trade-union lines, many existing rural workers' organizations are providing special services to their members, from education and hitherto non-existent health care to marketing and trading enterprises, and in the process are changing the backward social customs of rural communities.

Selected case studies of such organizations, functioning under widely differing conditions, are presented in detail in this manual, a companion to a general ILO study on the *Structure and Functions of Rural Workers'*

Organizations (LG Aug. 1978, p.376). No attempt is made to show accomplishments only. Pitfalls too are delineated, and rural workers' organizations are cautioned that they should not attempt to compete with what others can do better or to regard special services as an end in themselves.

Special services are often a pressing necessity because government allocations are inadequate for providing even the most basic of community requirements. Moreover, the average wage of rural workers is below the national average and cannot be raised sufficiently through collective bargaining, with the result that special services must be provided as a means of raising real income. As for unions of self-employed peasants, which concentrate primarily on group pressure activities for agrarian reform, the desired reforms do not come overnight and special services become the most important tool for maintaining and expanding membership.

In one case, a strong union of plantation workers in a developing country formed a trading corporation owned by union members. This corporation established a textile mill, in conjunction with the provincial government and a large textile company, creating jobs for 2,000 unemployed. Proving its success, this union has now started a daily newspaper of its own and intends to launch at least two industrial enterprises in each province in the country. Another equally established union of peasants formed supply, processing, harvesting and marketing enterprises. Because it was recognized as the "voice" of the peasants, banks readily supplied most of the capital needs, but the processing company eventually had to fold because of the large capital expenditures required to remain competitive with similar commercial undertakings.

Even new and weak unions can accomplish a good deal once they approach special services realistically and win the support of rural masses. A one-year-old union of sharecroppers and day labourers, whose members are amongst the poorest rural workers in the world, is doing just that despite conditions of overblown bureaucracy and corruption. The union had to be subsidized in the early stages by an international workers' organization, but it was its own 20 village committees which undertook vital on-site feasibility studies. Successes in a very short period include the introduction of joint irrigation wells (against a background of traditional peasant attitudes adverse to joint ownership); training volunteer instructors for household dairy projects and obtaining necessary bank loans for purchasing cows; launching a revolving fund for domestic poultry keeping, with beneficiaries repaying the union in kind from eggs produced; woolen blankets; sewing

and fish production schemes in addition to other basic services like education and legal aid.

There are many other inspiring examples of accomplishments by small, budding unions. One managed to bring about improvements in the standard of educational services and to lower fees by 70 per cent by simply setting up a school of its own to compete with commercial schools. Another forced a sizable reduction in commodity prices by operating a co-operative store. The underlying logic is that even the most modest

of services can make a tremendous impact in improving the lot of the rural poor and in solidly establishing viable trade-union-type organizations.

In one especially heart-rending case, the seasonal workers involved wanted but one thing from a union: decent burial and informing the next of kin.

The book provides practical insights based on experience, underlines that careful studies and hard volunteer work are essential, and shows how aid from international

organizations can be obtained.

The two pioneering ILO manuals are primarily intended to provide guidance for trade union officials and workers' education administrators and instructors. They will be extremely useful also to university and adult educators; community development agents, and all individuals and agencies concerned with the role of workers' organizations in rural development.

Bill Megalli

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

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Cebulski, Bonnie G. *Affirmative action versus seniority — is conflict inevitable?* Berkeley, Institute of Industrial Relations, University of California, 1977. 52p. (California. University. California Public Employee Relations Program. Monograph)

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Foley, Bernard J. *Accounting*

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Adams, George W. *Concepts of industrial discipline and their results*. Toronto, Osgoode Hall Law School, York University, 1978. 63p.

Hours of Labour

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Blomquist, N.S. *The distribution of lifetime income; a case study of Sweden*. Vancouver, University of British Columbia, Department of Economics, 1977. 49p. (British Columbia. University. Department of Economics. Discussion paper no.77-34)

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Improving life at work: behavioral science approaches to organizational change. Edited by J. Richard Hackman and J. Lloyd Suttle. Santa Monica, Calif., Goodyear Publishing, 1977. 494p.

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Cartwright Smith. Washington, International Personnel Management Association, 1978. 53p.

Marr, William L. *Income changes through migration within Canada*, by W.L. Marr and F.W. Milleard. Waterloo, Ont., Department of Economics, Wilfrid Laurier University, 1978. 26p. (Wilfrid Laurier University. Department of Economics. Research report no.7831)

Industrial Democracy

Smith, Cyril. *Industrial participation*. London, McGraw-Hill, 1977. 174p.

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Jennings, Kenneth M. *Labor relations in a public service industry; unions, management, and the public interest in mass transit*, by Kenneth M. Jennings, Jay A. Smith and Earle C. Traynham. New York, Praeger Publishers, 1978. 323p.

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New Ways to Work. *Job sharing*; final report of a CETA funded pilot project. Palo Alto, Calif., 1977. 54p.

Labour-Management Cooperation

Breakthroughs in union-management cooperation. Edited by Joseph A. Loftus and Beatrice Walfish. Scarsdale, N.Y., Work in America Institute, 1977. 49p.

Maternity Leave

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action guide to maternity rights, by Dilys Robertson and Michael Armstrong. London, Kogan Page, 1977. 27p.

Profit-Sharing

Stern, Robert N. *Employee stock ownership plans (ESOPs): benefits for whom?* by Robert N. Stern and Philip Comstock, with the assistance of Jozetta H. Srb. Ithaca, N.Y., New York State School of Industrial and Labor Relations, Cornell University, 1978. 58p.

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labour statistics

LABOUR MARKET

	Seasonally Adjusted						Unadjusted		
	May 1978	June 1978	July 1978	May	% change ² June	July	July 1977	July 1978	% Change ¹
TOTAL	(numbers in thousands)								
Labour Force	10,972	11,014	11,059	0.4	0.4	0.4	11,100	11,570	4.2
Employment	10,023	10,070	10,132	0.3	0.5	0.6	10,222	10,644	4.1
Unemployment	949	944	927	1.5	- 0.5	- 1.8	878	927	5.6
Unemployment Rate (%)	8.6	8.6	8.4	—	—	—	7.9	8.0	—
Participation Rate (%)	62.5	62.6	62.8	—	—	—	64.3	65.7	—
Both Sexes: 15-24	64.1	64.2	64.7	—	—	—	74.4	76.0	—
Men:	77.9	78.1	78.1	—	—	—	81.5	82.2	—
— 25 and over	80.9	81.3	81.1	—	—	—	81.3	81.6	—
Women:	47.5	47.7	47.9	—	—	—	47.6	49.7	—
— 25 and over	43.9	43.9	44.1	—	—	—	41.2	43.5	—
EMPLOYMENT	10,023	10,070	10,132	0.3	0.4	0.4	10,222	10,644	4.1
Both Sexes: 15-24	2,489	2,504	2,542	0.7	0.6	1.5	2,873	2,997	4.3
Men:	6,196	6,225	6,253	0.4	0.5	0.4	6,441	6,622	2.8
— 25 and over	4,841	4,865	4,870	0.1	0.5	0.1	4,839	4,956	2.4
Women:	3,827	3,845	3,878	0.1	0.5	0.8	3,871	4,022	6.4
— 25 and over	2,693	2,701	2,720	0.1	0.3	0.7	2,510	2,691	7.2
Paid Workers	9,015	9,035	9,079	0.3	0.2	0.5	9,206	9,521	3.4
— Non-Agriculture	8,892	8,905	8,945	0.3	0.1	0.4	9,018	9,349	3.7
In Industries									
Agriculture	469	476	481	3.5	1.5	1.1	531	547	3.0
Manufacturing	1,999	1,998	1,983	1.5	- 0.1	- 0.8	1,937	2,063	6.5
Construction	625	639	643	0.5	2.2	0.6	731	740	12.3
Trade	1,778	1,781	1,771	0.3	0.2	- 0.6	1,739	1,809	4.0
Services	2,802	2,819	2,869	- 1.0	0.6	1.8	2,779	2,930	5.4
By Regions									
Atlantic	756	764	772	- 0.1	1.1	1.0	811	841	3.7
Quebec	2,547	2,548	2,564	0.4	0.0	0.6	2,627	2,710	3.2
Ontario	3,861	3,885	3,930	0.0	0.6	1.2	3,909	4,088	4.6
Prairies	1,758	1,757	1,766	1.0	- 0.1	0.5	1,758	1,842	4.8
British Columbia	1,106	1,117	1,113	- 0.2	1.0	- 0.4	1,117	1,163	4.1
UNEMPLOYMENT RATE (%)	8.6	8.6	8.4	—	—	—	7.9	8.0	—
Both Sexes: 15-24	15.1	14.7	14.2	—	—	—	14.7	14.0	—
Men:	7.9	7.8	7.6	—	—	—	6.9	7.0	—
— 25 and over	5.4	5.4	5.3	—	—	—	4.0	4.3	—
Women:	9.9	9.8	9.7	—	—	—	9.5	9.7	—
— 25 and over	8.0	7.9	7.9	—	—	—	6.7	7.5	—
By Regions									
Atlantic	13.0	12.4	12.8	—	—	—	11.6	11.8	—
Quebec	11.5	11.4	10.5	—	—	—	10.1	10.1	—
Ontario	7.5	7.4	7.3	—	—	—	6.8	7.2	—
Prairies	5.2	5.2	5.1	—	—	—	4.8	5.0	—
British Columbia	8.0	7.8	7.7	—	—	—	8.5	7.6	—
EMPLOYMENT RATIO	57.1	57.2	57.5	—	—	—	59.2	60.4	—
Both sexes: 15-24	54.4	54.7	55.5	—	—	—	63.5	65.4	—
Men:	71.8	72.0	72.2	—	—	—	75.9	76.5	—
— 25 and over	76.6	76.8	76.8	—	—	—	78.0	78.1	—
Women:	42.8	43.0	43.3	—	—	—	43.1	44.9	—
— 25 and over	40.4	40.4	40.6	—	—	—	38.4	40.2	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1978			% Change From Previous Year			Current Annual Rate of Change		
	May	June	July	May	June	July	May	June	July
All Items (1971 = 100)	173.6	175.1	177.7	9.0	9.2	9.8	11.3	8.9	12.7
Food "	207.1	211.2	219.7	16.9	17.9	20.1	28.0	26.0	29.5
Total Ex-Food "	162.2	162.8	163.5	6.2	5.9	6.0	5.4	2.5	6.1

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	May 1977	May 1978 ^P	% change ¹	Mar. 1978 ^P	Apr. 1978 ^P	May 1978 ^P	% change ² Apr.	May
AVERAGE WEEKLY EARNINGS (\$)								
Industrial Composite	248.02	264.02	6.5	261.38	262.13	263.76	0.3	0.6
Real (\$ 1971)	154.72	150.78	- 2.5	152.37	151.02	150.94	- 0.9	- 0.1
By Regions:								
Atlantic	219.57	227.34	3.5	224.72	225.07	228.60	0.2	1.6
Quebec	243.16	261.79	7.7	257.57	258.29	260.59	0.3	0.9
Ontario	248.07	263.44	6.2	261.45	261.75	263.07	0.0	0.5
Prairies	243.36	258.42	6.2	257.53	258.00	259.72	0.2	0.7
British Columbia	282.21	300.06	6.3	296.52	298.23	299.52	0.6	0.4
Manufacturing:								
Average Weekly Earnings (\$)	262.81	283.12	7.7	279.41	281.22	283.04	0.6	0.6
Average Hourly Earnings (\$)	6.36	6.82	7.2	6.72	6.72	6.78	0.0	0.9
Average Weekly Hours	38.3	38.5	0.5	38.4	38.7	38.7	0.8	0.0

JOB VACANCIES

	Unadjusted					Seasonally Adjusted			
	1977			1978		1977			1978
	II	III	IV	I	II	II	III	IV	I
	(Numbers in thousands)								
All categories	49.7	52.7	35.6	37.9	46.2	47.8	42.9	40.5	44.7
Full-time	43.2	45.5	30.9	34.3	40.3	41.5	37.4	35.3	39.7
Longer-term	13.2	15.7	12.1	12.1	13.7	14.4	12.5	13.2	13.4

¹Per cent change from previous year.

²Per cent change from previous month.

^PPreliminary.

Source: Statistics Canada, *The Labour Force*, Cat. No. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. No. 72-002. Statistics Canada, *Quarterly Report on Job Vacancies*, Cat. No. 71-002, Statistics Canada, *The Consumer Price Index*, 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

MAJOR COLLECTIVE BARGAINING SETTLEMENTS

	Quarterly									Last Four Quarters
	Annual			1977				1978		
	1975	1976	1977	I	II	III	IV	I	II	
	(annual compound rates of change)									
Manufacturing	13.9	8.8	6.9	7.1	6.4	7.2	7.3	6.5	6.4	6.9
Non-Manufacturing	17.8	10.5	8.0	8.6	8.4	7.5	7.1	6.6	6.4	6.8
Commercial	14.9	9.6	7.7	8.0	7.6	7.5	8.1	7.0	6.3	7.0
Non-Commercial	19.1	10.6	7.8	8.6	8.3	7.4	6.4	6.2	6.5	6.6
All Industries	17.0	10.2	7.8	8.4	8.0	7.4	7.1	6.6	6.4	6.8

STRIKES AND LOCKOUTS

	1976		1977				1978		
	III	IV	I	II	III	IV	I	Apr.	May
(Quarterly averages)									
Strikes and Lockouts:									
— Beginning during month	73	56	56	74	69	48	59	69	101
— Existing during month	203	143	118	152	155	111	127	157	179
Workers Involved	112,173	342,621	24,039	36,790	34,813	25,876	30,563	42,255	41,316
Man-days Lost — Total	1,466,900	927,813	200,670	312,263	332,267	257,427	350,563	475,580	507,510
— Manufacturing	501,157	278,540	110,100	207,630	189,653	154,340	119,170	147,560	175,970
Man-days Lost as a % of Estimated Working Time	0.79	0.50	0.11	0.17	0.18	0.14	0.20	0.28	0.26
— Manufacturing	1.18	0.67	0.28	0.52	0.46	0.34	0.31	0.39	0.41

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	August 1, 1978 January 1, 1979	\$2.85 \$3.00	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1978	\$2.75	under 18: \$2.40
Quebec	January 1, 1978 October 1, 1978 April 1, 1979	\$3.27 \$3.37 \$3.47	under 18: \$3.07
Saskatchewan	June 30, 1978	\$3.25	no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, MAY 1978

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976.....	921	1,039	1,570,940	11,609,890	0.55
1977.....	739	803	217,557	3,307,880	0.15
1977					
May.....	73	152	34,893	299,940	0.16
June.....	71	156	37,241	307,500	0.16
July.....	55	138	38,802	405,760	0.22
August.....	76	153	34,522	345,970	0.17
September.....	75	174	31,114	245,070	0.13
October.....	56	120	19,716	178,300	0.10
November.....	55	113	32,154	240,850	0.13
December.....	32	101	25,758	353,130	0.20
1978(*)					
January.....	48	96	24,395	365,720	0.21
February.....	64	138	29,705	278,200	0.16
March.....	66	148	37,590	406,510	0.22
April.....	69	157	42,255	475,580	0.28
May.....	101	179	41,316	507,510	0.26
January-May 1977.....				1,231,300	0.14
January-May 1978(*).....				2,033,520	0.22

(*) Preliminary

WORK STOPPAGES BY INDUSTRY, MAY 1978 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		Duration in man-days (Jan. to May)
		Number	Workers involved	
Agriculture.....	0	0	0	0
Forestry.....	1	1	175	700
Fishing.....	0	0	0	0
Mines.....	1	8	8,701	181,460
Manufacturing.....	45	81	15,680	175,970
Construction.....	16	17	6,211	50,350
Transp. & Utilities.....	14	25	4,627	36,620
Trade.....	6	12	745	8,120
Finance.....	1	2	76	700
Service.....	11	24	3,932	45,630
Public Admin.....	6	9	1,169	7,960
Various Industries.....	0	0	0	0
TOTAL.....	101	179	41,316	507,510

WORK STOPPAGES BY JURISDICTION, MAY, 1978 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		Duration in man-days (Jan. to May)
		Number	Workers involved	
Nfld.....	2	5	3,325	62,500
P.E.I.....	0	0	0	0
N.S.....	2	3	706	3,710
N.B.....	10	11	2,836	3,660
Quebec.....	25	62	13,944	215,410
Ontario.....	25	40	8,839	114,830
Manitoba.....	6	6	1,696	33,230
Saskatchewan.....	13	16	3,819	18,570
Alberta.....	0	2	103	2,280
B.C.....	8	16	3,542	25,350
Yukon & N.W.T.....	1	1	14	130
Total, provinces.....	92	162	38,824	479,670
Federal Public Service(1).....	4	4	352	420
Federal Industries(2).....	5	13	2,140	27,420
Federal total.....	9	17	2,492	27,840
TOTAL.....	101	179	41,316	507,510

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1976-1977 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working Conditions in Canadian Industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1977. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1976 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Directory/Occupational Safety and Health Legislation in Canada.

Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request (Bilingual)).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1977. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1976. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

The pension booklet. A bilingual guide providing basic information on employer-sponsored pension plans, how they operate and the protection provided by the federal and provincial governments (who share responsibility for regulating private pensions). Available free (Cat. No. L13-10/78) from Public Relations, Labour Canada, Ottawa, Ontario. K1A 0J2.

Collective Bargaining Information Centre. Information pamphlet, bilingual. Available free.

Collective Bargaining Information Sources (Section I). A reference guide to sources of information and data for collective bargaining. Section I, "Compensation", now available. Section II, "Economic Studies"; Section III, "Labour Relations"; and Section IV, "Library Services" — forthcoming. English or French, free.

Occupational safety and health

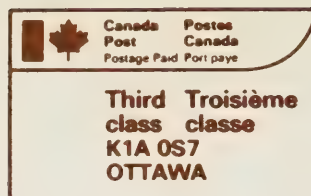
Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Occupational Noise Legislation. Contains the Canadian legislation protecting workers against the harmful effects of noise exposure in workplaces. Included is a table showing the maximum sound level permitted for different periods of exposure. (Available free on request). (Bilingual).

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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NOVEMBER/DECEMBER

LABOUR GAZETTE

FINAL EDITION

1900-1978

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**Labour
Canada**

**Travail
Canada**

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VICTIM OF AUSTERITY

THE LABOUR GAZETTE: 1900-1978

William Lyon Mackenzie King probably wouldn't have allowed it, but the dean of Canadian magazines in the labour field has fallen victim to the federal government's austerity program. This is the last edition of *The Labour Gazette*, established 78 years ago by order of Parliament.

The monthly magazine, which has reported on important trends and developments in the world of work has had probably the strangest history of any government publication. It formed the one-man nucleus of what are now the federal departments of labour and employment, and, more important, brought to Ottawa the man who was eventually to become Prime Minister of Canada and hold that office longer than anyone in the nation's history.

The Conciliation Act of 1900 establishing *The Labour Gazette* was introduced in the House of Commons by then Postmaster-General William Mulock, who said the legislation was designed "to provide a useful publication for all classes concerned in industrial life, whether employers or employees" and "to enable them better to understand not only the conditions affecting their own side, but the conditions affecting the side of the other party." In this way, the government hoped that labour and management "would be more ready to adopt peaceful arguments for the settlement of controversies."

Mulock then announced that "another object of the Bill is to

establish a Department of Labour," one of whose functions would be to provide motive power for conciliation machinery.

Mulock (later Sir William) became Minister of Labour and William Lyon Mackenzie King was made editor of *The Labour Gazette*, which duty was soon combined with that of Deputy Minister.

King, a Harvard graduate and roving reporter for the *Mail and Empire*, was in fact recruited for the job by Mulock, even before Sir William had won approval of the *Gazette* in the Commons. King had brought to his attention the shocking conditions then prevailing in the sweatshops of the garment trades, which included firms awarded contracts by the Post Office Department. When he heard the young crusading writer, the Postmaster-General was shocked and angry. Seeking a quick remedy, he asked

Of King's early editorial team, the memory of one, Henry Albert Harper, is perpetuated in the Sir Galahad statue on Wellington Street, Ottawa, close by the Centre Block of the Parliament buildings. Associate Editor Harper, athlete and former newspaperman, drowned in December 1901 in an heroic attempt to rescue a woman skater who had fallen through the ice on the Ottawa river.

King to make a report with recommendations on which the government could act.

That interview made an enduring and favourable impression on Mulock. From it stemmed the adoption of the Fair Wages Resolution of March 1900, and later that year the Act establishing *The Labour Gazette*.

During the debate on the Bill, Opposition MPs voiced their suspicions that the journal would become an organ of the Liberal government. Mulock assured them that it would deal purely in facts, and in its first issue, September 1900, Mackenzie King said the publication would not be concerned with the expression of individual views.

Although the statute setting up the periodical placed it technically under sole control of its editor, King was to write in his diary: "Today, I had a pretty good revelation as to the attitude of politicians toward government work. Mr. Mulock went through my articles, and everything which in any way could count for a Conservative, he scored out...He wants to have the first issue really a campaign document filled with references to past doings of government."

The magazine was launched 18 days before the general election of that year, making its debut at the annual meeting of the old Trades and Labour Congress. King ran it

for the nine years before his appointment as labour minister in the Laurier government. But even after becoming Prime Minister, he kept in close touch with its development.

Today *The Labour Gazette* is an independent and lively periodical with a cross-country circulation and a significant readership abroad. From a journal of record, presenting dry statements of fact and collections of statistics, it has evolved over the past 10 years into a unique national forum for the analysis and discussion of prime problems and issues affecting the world of work. At the same time, the magazine has consistently striven not to reflect favouritism toward nor to serve as a platform for the vested interests of any individual or institution.¹ In this way, the *Gazette* has continued to impart knowledge while furthering understanding and looking for attitudes and concepts suited to our changing socio-economic climate.

Moreover, the journal has provided a valuable service by bringing together in a comprehensive, concise and readable format information and ideas from a wide variety of sources scattered across Canada and abroad, thereby keeping its readers in one part of this vast country informed of signifi-

cant events and developments in other parts of the country and abroad. "In this fact," noted King, "is to be found the real importance of the *Gazette*."

Another important function served by this influential periodical is that it has helped to fill the gulf that exists between the work of academic institutions and the more spontaneous and perishable coverage of the mass media.

In the past 10 years the *Gazette's* reports and articles have come from all the parties in industrial relations, in both private and public sectors — management, unions, academics, journalists and others. They have dealt with any and all issues affecting the world of work and have probably been read by a wider and more varied clientele than that of any other Canadian publication specializing in labour affairs and related subjects.²

Generations of researchers have also enjoyed the added advantage that the *Gazette's* contents are indexed in the *Canadian Periodical Index*, *Canadian Business Periodicals Index*, *Work-Related Abstracts*, *Index to Canadian Legal Periodical Literature*, and others. The magazine is also listed in several Canadian and international directories, and for 75 years had its own more detailed annual index. Despite its usefulness, however, this index — available to subscribers and other interested persons — was discontinued in 1975 as an economy measure.

² Among its readers are business executives and union officials, educators and scholars, personnel managers and labour lawyers, public servants and politicians, industrial relations practitioners, journalists, and professionals in a wide variety of sectors and occupations.

Needless to say, the development was greeted by a chorus of protest — from, among others, the Indexing and Abstracting Society of Canada, the National Library, the Bibliographical Society and the Canadian Education Association.

The Labour Gazette does not have a large circulation when compared with less specialized periodicals, but its actual readers number many times more than its subscribers, which for the most part are companies, unions, colleges, government agencies and a variety of libraries, all of which circulate the magazine. Moreover, the *Gazette* has received a significant amount of additional exposure via reprints or summaries of its contents in other publications. It's also interesting to note that the periodical's paid circulation has been climbing steadily since last fall in response to a limited promotional campaign, the first ever undertaken.

If letters to the editor over the past three years are any indication, the magazine is held in high regard both in Canada and abroad. In recent weeks, a wide range of readers have also written or called protesting the *Gazette's* demise. They feel that its passing will leave an irreplaceable void in the country's communication network. It is generally felt too that the loss of the *Gazette* is a blow to Canadian culture and democratic tradition.

We thank all those who have expressed their encouragement and support. A very special note of thanks is due also to all those, too numerous to mention, who have helped to make *The Labour Gazette* a worthwhile endeavour. [g]

G.F. Sanderson

¹ The *Gazette's* contents do not necessarily reflect the views or policies of the federal labour department, nor is the magazine pro-labour or pro-management as some of its critics have contended. While it has admittedly echoed the aspirations of all working people, employers' legitimate interests and concerns have not gone unreported. Indeed, the *Gazette* has been in the same position as any independent and impartial arbitrator; in attempting to be fair it has run the risk of antagonizing both sides. This is perhaps why it has appeal for both labour and management, not to mention academics and others.

newswire

THE ECONOMY

Tax cuts recommended

The Economic Council of Canada has called for a \$2-billion cut in federal income taxes in order to stimulate the ailing Canadian economy. Without a tax cut, real growth in the GNP would remain below 4 per cent in 1979, inflation would stay above 7 per cent and unemployment would persist at 8.5 per cent, the council warned in its 15th annual review.

The council believes the tax cut is needed to counteract the effects of government spending cuts, and to encourage private investment.

The council has also recommended a cut to 6 per cent from 12 per cent in the federal manufacturers sales tax and a renewal of the

federal-provincial agreements that reduced the provincial sales taxes earlier this year.

A bright spot in the economic picture is that Canada's international competitiveness has not been seriously weakened, the review observes. Most primary industries are highly competitive; much of the slowdown in manufacturing and the adverse movement in the trade balance can be explained by cyclical factors.

The council cites studies that show foreign-owned firms enjoying higher productivity and profits than Canadian-owned firms in the same industry. It attributes the higher costs of most companies producing only for the Canadian market (against U.S. firms) to a lack of specialization and too diversified product lines.

In the service sector, the ECC

finds that while technological innovation has not yet displaced a significant number of workers, it has altered the work they are performing. Moreover, rising service costs and changes in consumer buying patterns spell uncertainty about security and career prospects for Canadians employed in this sector.

Call for restraint

Canada's post-controls monitoring agency produced its first quarterly report at the end of September, and it suggests that a move by Canadian workers to seek too high increases could lead back to controls.

The Centre for the Study of Inflation and Productivity points out that when Canada went into controls in 1975 inflation was at 10.5 per cent and unemployment at 7 per cent. Now, with the country coming out of controls, inflation has been hovering around 9 per cent and unemployment at 8.5 per cent.

The Centre says Canada needs more consumer expenditure to take up slack in the economy. It also says Canadians must restrain incomes and prices: "Therein lies an even greater danger. If Canadians generally build the current high rate of consumer price index increase into their price and wage decisions, they will bring on another round of spiralling inflation.

ATTENTION READERS

This is the last edition of *The Labour Gazette* after 78 years of service to the people of Canada and to our readers abroad. Over the years the *Gazette* has sought to respond to the need to keep its readership well informed and up to date on all issues relating to the world of work. This has probably never been more pronounced than in today's troubled industrial climate; nevertheless, the *Gazette* has fallen victim to the recent moves to restrain the level of government expenditure.

Thank you very much for your readership support and encouragement over the years.

"That in turn would feed into our cost structure, threaten our international competitiveness and further undermine the value of the Canadian dollar.

"We have been along that route, and it could lead to controls."

Textile industry problems

A study published by the C.D. Howe Research Institute says there is no likelihood of a major part of the Canadian textile industry becoming "internationally viable" in the sense of being able to survive without import restraints. The study also suggests that a program of phasing out the industry while protecting both workers and capital would cost less in the long run than the present system of protection.

"A phasing out program must be implemented over a period of time long enough to avoid all but the minimum dislocation and hardship, yet short enough to prevent the recruitment of new workers and the investment of new capital into activities that have no competitive future," says the 79-page study report by Caroline Pestieau, entitled *The Quebec Textile Industry in Canada*. "Such a program is not necessarily more costly in terms of national resources than the present system of protection — over the long run it is almost certainly cheaper — but it is much more visible in terms of government outlays.

The report says experience elsewhere suggests several necessary features for any successful program of "adjustment to the termination of special protection":

- The protection of workers who are genuinely immobile. "Here age is the principal criterion, plus marketable skills and geographical

location. With government assistance, immobile workers could be guaranteed pre-retirement pensions equal to their expected earnings as their jobs disappear."

- For firms unable to survive without special protection, disincentives to hire mobile workers. "This implies that when attrition reduces such a firm's work force below an efficient level, the firm will have to close or shift into a different line of business."

- A "generous and effective" retraining and placement program for younger employees who lose their jobs.

- At the company level, disincentives for new firms to get into the production of articles currently subject to special import restraints, and compensation for firms that find themselves obliged to scrap machinery and equipment not fully amortized. "Firms should be able to take advantage of such compensation over a reasonably long, but pre-specified, period of time."

- Assistance to small towns dependent on textile production to attract alternative employment and municipal income. In the absence of alternatives, relocating certain government services to former textile towns might be considered.

- To ensure that consumers benefit as much as possible from ending import restrictions, "measures should be taken to increase competition at the retail level and to provide additional information on retailers' markups over import prices."

The study finds Quebec the principal beneficiary of present protective policies: "On an individual basis, textile employees in Ontario benefit to about the same extent as those in Quebec. But when we

take into account the larger number of textile workers in Quebec and of consumers in Ontario, it is clear that Quebec is the principal beneficiary."

The textile industry — including textile producers and producers of related goods such as clothing and knitted goods — employs about 180,000 Canadian workers, 99,000 of them in Quebec. However, about 20,000 jobs disappeared in Quebec between 1973 and 1976, and while 27 per cent of the province's manufacturing labour force worked in textile or clothing production in 1973, that percentage has dropped to 18 per cent in 1978.

"All Canadians pay a price for maintaining the textile industry by means of tariff and quota protection," the report adds. "There are efficiency costs arising from less-than-optimal use of national resources and consumer costs in the form of higher-than-necessary prices in the stores."

FRINGE BENEFITS

30 per cent increase

Fringe benefits paid to employees by 157 private and public organizations have increased by 30 per cent since 1975, according to a survey by Thorne Riddell Associates Ltd. of Toronto. That compares with pay increases of just under 19 per cent in major collective agreements across Canada during the period.

"Though the management consulting firm's survey differs in size and concept from those conducted by government, it says employers who coughed up \$3,850 a year for each worker on non-wage benefits in 1975 wound up paying \$5,000 on

behalf of each employee for those and some new benefits in 1977," says Clayton Sinclair of the *Financial Times* of Canada. Sinclair notes that the firms surveyed allocated 32.4 per cent of their gross payrolls to benefit programs — up from 31 per cent in 1975 but still considerably under the 36.7 per cent in the U.S. last year.

Although the U.S. benefit proportion is higher, it includes old age security payments, which are excluded from the Canadian figure.

Sinclair says the trend to increased benefits has persisted almost without a break in recent years and is expected to continue into the foreseeable future. Twenty-five years ago, employee benefits represented only 15 per cent of all labour costs.

The most costly benefits — vacations, holidays, rest periods, welfare and pension plans — were provided by almost all of the participating employers. Other common benefits, provided by half or more of the employers, included severance pay, service awards and recreational activities. Dental insurance, a relatively recent addition to the list, was provided by 41 per cent. More than one third of employers also provide relocation and home-buying aid, cafeteria subsidies, Christmas gifts and company discounts.

Most employers insist that employees share in the costs of welfare plans. Only 9.6 per cent of welfare programs and 15.5 per cent of pension plans were fully paid for by the employer. The mining, petroleum and pipeline companies have gone farthest in providing non-contributory welfare plans.

Unemployment insurance, the Canada and Quebec pension plans and, in most provinces, workers'

compensation, are among legally required payments — all of which account for 2.82 per cent of payrolls in Canada, compared with 8.5 per cent in the U.S. The difference can be partly accounted for by a difference in methods of calculation.

PRODUCTIVITY

Impact of unionization

Highly unionized companies suffer less from wage pressures than from productivity losses, according to a study of 1,200 firms conducted by the Strategic Planning Institute of Cambridge, Mass. The institute attributes the lower output to restrictive work rules at unionized firms, and the reluctance of employers to introduce technological change. However, profit declines were not common to all unionized companies. They were reportedly greatest in high-market-share firms in mature, slow-growth industries. In general, companies that were 70 per cent unionized showed profits only 3 percentage points lower than firms where less than 35 per cent of employees were unionized.

WAGES

Male-female gap widens

Although Canada has enacted equal-pay laws in every labour relations jurisdiction, the gap between male and female earnings has not decreased and in many occupations is even increasing, according to an analysis of Canadian research on the question.

The gap in average earnings for all men and women working 50 weeks

or more in the year was \$6,947 in 1976, according to statistics Canada data, which show men earning an average \$15,394 while women earned \$8,447 — or 45 per cent less. The data also show that the gap has been widening in recent years.

Between 1969 and 1976, the difference in average earnings of men and women in the professions, for example, grew from \$4,686 to \$7,572, with men earning on average \$19,051 in 1976 compared

It would be interesting to compare Canadian data with U.S. data which indicate that even though women start off with only a moderate earnings disadvantage, this disadvantage grows increasingly strong over time. According to economist Michael Gorham, writing in the *Christian Science Monitor*, July 21, research by Isabel Sawhill five years ago revealed that while women in the U.S. earned only 13 per cent less than men at the beginning of their working lives, female earnings fell a full 52 per cent behind male earnings during the prime working ages 35 to 44, this despite the fact that both sexes had the same educational levels, were of the same race and worked the same number of hours each year.

Using 1970 census data, and examining a sample of men and women professionals who had never been married, Allan King of the University of Texas found that while single professional women started their careers with almost the same income as their male counterparts, an earnings gap emerged rapidly, Gorham notes. While men were awarded a 3 per cent gain in income for each year of experience, women received less than a 1 per cent gain for each additional year they worked. Thus women professionals were earning almost a third less than their male counterparts by their fourteenth year on the job. Again, this difference is for people with the same racial and educational backgrounds who work the same number of hours per year. Would the findings for Canada differ significantly?

to \$11,479 for women — a 40 per cent difference.

In 1969, a woman in a managerial position was earning \$5,216 less than her male counterpart. By 1976, the gap was \$10,846. Similarly, saleswomen in 1969 earned on average \$4,400 less than salesmen. By 1976, the gap widened to \$8,460.

"Even the most conservative estimates indicate considerable pay discrimination against women," write Naresh C. Agarwal and Harish C. Jain, members of McMaster University's Faculty of Business, in the March-April, 1978, issue of *International Labour Review*.

They find that in all 13 Canadian jurisdictions — federal, provincial and the territories — the definitions of equal pay and equal work

are narrower than the definitions in the Equal Remuneration Convention adopted by the ILO in 1951. Only in two jurisdictions — Newfoundland and Ontario — is pay defined to include wages and fringe benefits, they write. "Similarly the definition of equal work is narrower than the ILO Convention's 'work of equal value'."

The studies also suggest that pay discrimination against women is higher in non-clerical, white-collar jobs than in blue-collar ones. "Perhaps this may be explained by differences in the nature of the pay systems in the two job categories," the authors suggest. "Managements generally enjoy considerable discretion in determining the pay of their white-collar employees, whereas, owing to greater unionization, the rates for blue-collar workers tend to be standardized to a large extent."

Women in service industries and men in manufacturing have benefited the most from the creation of 375,000 jobs in the Canadian economy during the 12 months ended August 31, according to an analysis of Statistics Canada labour force figures:

- More jobs were produced in the service sector than in the goods producing sector — 204,000 to 171,000, and manufacturing produced three quarters of the jobs in the goods-producing sector.
- Men obtained most of the new jobs in the goods-producing sector, although women benefited somewhat from the increase in manufacturing.
- Women got most of the clerical and sales jobs in the service sector, except for transportation, communications and utilities, where men still took most of the jobs.

- Women 25 and over and youths under 25 got a high proportion of the new jobs relative to adult men.

Although women, who account for about 40 per cent of the labour force, got 57 per cent of the new jobs created during this period, their unemployment rate, at 9.7 per cent seasonally adjusted in August, was still two percentage points above the rate for men.

Can do "men's work"

Research at North Carolina State University has found that women possess energy requirements for a wide range of occupations once considered men's work, including coal mining and construction. The energy capacity of eight female volunteers aged 18 to 23, with a mean weight of 138 pounds, was measured through six hours daily on a treadmill — eight different periods of 45 minutes each.

EMPLOYMENT

Women get majority of new jobs but are hardest hit by unemployment

Women, particularly the single ones, are also hardest hit by unemployment, according to Statistics Canada data. In 1977, women made up 44.1 per cent of the unemployed labour force, with an average unemployment rate of 9.5 per cent compared with 7.3 per cent for men. Single women experienced the highest rate of unemployment at 11 per cent, compared with 9 per cent for married women, and 7.7 per cent for the widowed, separated or divorced.

By age, men and women between the ages of 20 and 24 faced unemployment rates of 12.8 and 11.8 per cent respectively in 1977 accord-

ing to Statistics Canada figures. However, once they reached the 25-34 age group, the jobless rate for women remained at 8.9 per cent while it dropped to 5.9 per cent for men, well below the 8.1 per cent average for 1977. In the 35-44 age group, unemployment for men stood at 4.3 per cent and for women at 5.5 per cent. Women aged 45-64 years also experienced higher jobless rates than men in that age group.

Moreover, women are forming a greater proportion of the poor, according to the Economic Council of Canada in its 15th annual review.

The review says lower incomes earned by women usually mean their unemployment insurance benefits are lower than those paid to men, this despite the fact that jobless women face longer periods of unemployment than males.





"WELL, YES... I GUESS YOU WOULD QUALIFY
FOR A LOADING CREW AT THAT"

According to psychologist Gayle Wardle, who conducted the experiment, a comparison of their energy outputs with the results of previous research with males shows that women do possess the energy needed for a wide variety of work. "They possess the physical work capacity for work requiring peak work loads and the long-term energy requirements to perform a full day of physically demanding work," she wrote in her doctoral dissertation.

Plight of school leavers

Statistics Canada projections on school enrolments and school leavings suggest a high rate of job creation will be needed to reduce unemployment. The projections also indicate that for a long

time to come, unemployment "will be concentrated disproportionately among the young."

The projections are in a 73-page report, entitled *Out of School — Into the Labour Force: A summary of findings*, prepared by four members of Statistics Canada's education division — Zoltan Zsigmond, Garnet Picot, Warren Clark and M.S. Devereau. It is a summary of a longer report expected to be published later in the year.

It estimates the school leavers who enter the labour force this year as totalling 605,300, down from the 1977 record of 615,300. The total is expected to decrease gradually to 508,000 in 1986. On the basis of its estimates the report makes these "exploratory calculations":

- For unemployment to stay at 8 per cent until 1980 and decline to 6 per cent by 1986, from 250,000 to 285,000 jobs will have to be created every year until 1980 and then from 225,000 to 270,000 to 1986.
- For unemployment to drop to 7 per cent in 1980 and to 5 per cent by 1986, 305,000 to 340,000 jobs will have to be created annually until 1980 and then from 230,000 to 270,000 annually to 1986.
- For unemployment to drop to 6.5 per cent in 1980 and to 4.0 per cent by 1986, average annual job creation would have to be 335,000 to 370,000 until 1980 and 250,000 to 300,000 to 1983, and from 230,000 to 270,000 to 1986.

An average 190,000 jobs were created annually in the 1975-77 period. During the period from 1970 to 1976, however, jobs created had reached an average 260,000 per year, ranging from a low of 100,000 in 1970 to a high of 439,000 in 1973.

Skilled workers wanted

Despite current high unemployment rates, Canada is reportedly faced with a shortage of skilled labour and the shortage is expected to increase when the economy recovers. One reason is that the postwar flow of skilled immigrants has slowed down and Canada does not have enough people in apprenticeship programs to make up the difference.

Since 1975, the number of apprentices graduating has decreased to 37 per cent, according to a report in the July issue of *Canadian Business*. "In some trades, such as machinists and tool and die makers, it has been dropping by 10 per cent over the past decade..."

Today, apprenticeship represents only 6 per cent of the work force — 1/16th of what it is in West Germany.”

Author Randall Litchfield says educators during the 1960s and 1970s have “reinforced the white-collar ideal.” As a result, apprenticeship “instead of being a socialization process to move young people from school to adult work roles, became a last resort for frustrated job seekers.” The average age of apprentices in Canada is 22 to 23 compared with 16 in Europe, he says, adding: “At the advanced age of 23, many apprentices aren’t satisfied with an apprentice’s wage, which starts at 50 per cent of the journeyman rate. The result: a 71 per cent dropout rate among Canadian apprentices.”

UNIONS

Membership grows

Union membership stood at 3,277,968 in Canada at the beginning of 1978, an increase of 4.1 per cent from the 3,149,213 total at the start of 1977. This compared with a 3.5 per-cent increase between 1976 and 1977. Union members represented 31.3 per cent of the total labour force, up from 31.0 per cent in 1977, and 39.0 per cent of non-agricultural paid workers, up from 38.2 per cent.

The last edition of the annual periodical *Labour Organizations in Canada* — which has fallen under the axe of the federal government’s austerity program — also showed that unions with headquarters in the United States accounted for 47.4 per cent of total Canadian membership, compared with 49.0 per cent in 1977 and 49.6 per cent in 1976.

There were 2,203,812 members in unions affiliated with or directly chartered by the Canadian Labour Congress, representing 67.2 per cent of total union membership. The Confederation of National Trade Unions had 177,755 members in affiliated federations, or 5.4 per cent of total union membership. A further 2.3 per cent of the membership was affiliated with other central bodies, while the remaining 25.1 per cent was accounted for by unaffiliated national and international unions and independent local labour organizations.

The unions with the 10 largest memberships, in order, were: Canadian Union of Public Employees, 231,000; United Steelworkers of America, 199,000; Public Service Alliance of Canada, 154,432; United Auto Workers, 130,000; National Union of Provincial Government Employees, 128,061; United Brotherhood of Carpenters and Joiners of America, 89,010; International Brotherhood of Teamsters, 86,603; Quebec Teaching Congress, 85,000; Social Affairs Federation, 70,000; International Brotherhood of Electrical Workers, 63,914.

Dues collected in 1976

Unions reporting under the Corporations and Labour Returns Act collected a total of \$178,280,000 in dues and assessments from 2,778,722 members in Canada in 1976. Of the total, \$84,136,000 was made up of dues and assessments collected by international unions from 1,263,979 members in Canada. The return also shows that the internationals spent \$34,004,000 in Canada for salaries and wages of officers and employees resident in this country, strike benefit payments and pension and welfare benefits.

As usual with the publication of

the Statistics Canada data, spokesmen for the Confederation of Canadian Unions, with 30,000 members in its affiliated national unions, claimed that the CALURA report means the internationals made a “profit” of \$50,000,000 from their Canadian operations. The Canadian Labour Congress has consistently complained that the report does not give a complete picture of spending by international unions in Canada. The CLC recently told a parliamentary committee that amendments introduced to the Act would only partly correct the situation.

COLLECTIVE BARGAINING

BNS and CUBE sign first agreement

The first collective agreement in Canada between branches of a national bank and a union was signed Sept. 28 in Toronto between the Bank of Nova Scotia and the Canadian Union of Bank Employees. The one-year contract covers employees of the bank’s branches in Simcoe, Port Dover and Jarvis, all in Ontario.

CUBE, an offshoot of the Canadian Chemical Workers Union, won certification in the branches in June, 1977. It is expected to merge with the Union of Bank Employees, an affiliate created by the Canadian Labour Congress to organize bank employees. The CLC is also co-ordinating organizing campaigns among banks by other affiliates. The campaign was spurred by a 1977 ruling by the Canada Labour Relations Board that a bank branch — rather than all of a bank’s branches across the country — is an appropriate bargaining unit. Otherwise, unions would have had to gain a majority among all eligible employees in Canada of a

nationally chartered bank. (See *LG* Aug., Oct. and Dec. '77; Aug. '78)

The first major breakthrough in organizing bank employees in Canada came in 1967 when the Office and Professional Employees International Union won certification to represent 1,000 employees of the Montreal District and Savings Bank, confined to the Montreal area. Until the summer of 1977, OPEIU was the sole union in the banking industry in Canada.

Solution to teacher surplus

The 600 high school teachers employed by the Lakehead Board of Education, at Thunder Bay, Ont., have negotiated a one-year contract that will allow them to defer a part of their salary for four years and to take the fifth year off, using up the deferred salary in that year. The voluntary program is intended to help relieve a teacher surplus anticipated because of declining enrolment.

The agreement provides that individual teachers may negotiate a leave agreement with the board on the amount of salary to be deferred. The agreement guarantees the individual teacher's leave should the board and the teachers' union not agree to continue the program in future negotiations.

THE WORKPLACE

Problems of open offices

"Open plan" office work spaces now make up about 10 per cent of existing office space in the U.S., but a report in *Business Week*, August 7, says a significant number of managers have discovered that open offices create problems "that can drive top executives up the very walls that

only they are likely to have." Some of them:

- Morale can plummet when employees who have traditionally judged their status by walls and doors find themselves in a status-less environment.
- The very lack of privacy of open-plan offices can inhibit the communication they were meant to spur. International Harvester Co., after converting several sections of its Chicago headquarters to an open plan, had to go back and wall in the personnel and corporate planning sections. Delicate and secret discussions within them could be overheard elsewhere.
- Not everyone likes the closeness fostered by the open plan. One secretary complained that the constant chatter of her peers had cut her productivity. And a General Motors Corp. materials analyst, whose desk was suspended from a partition, complained that "when the guy on the other side closes a drawer, the whole thing shakes."

One of the shortest-lived open-concept work places was at Paul Harris Stores Inc. in Indianapolis where \$90,000 was spent to modernize its headquarters office with low, brightly coloured partitions and modular furniture. "The retail fashion buyers, accustomed to their private, closed office, raised a nerve-frazzling din on their telephones," *Business Week* reported. "As their tolerance wore thin in the open offices, purchasing decisions normally made in minutes began to lag a day or more. ...Within a week, \$30,000 worth of new components were carted away, and nearly all of Harris' office staff were soon back in closed offices."

Lack of privacy, communication problems, and productivity

declines resulting from noise and other distractions, have also been reported by Canadian managers and employees who have worked in open offices.

LANGUAGE

Bilingualism fading

A study published by the C.D. Howe Research Institute finds it evident "that Canada's two official language groups are becoming increasingly polarized, with the English language used less and less in Quebec and the French-speaking minorities fading away elsewhere."

"The vision of a Canada bilingual from coast to coast is far from the reality shown by the census data," writes Richard Joy in the 46-page report entitled *Canada's Official-Language Minorities*. The work updates a classic work published by the same author in 1967 entitled *Languages in Conflict*.

Joy notes that at the time of the 1921 census almost one quarter of Canada's French-speaking population was living outside Quebec "and there seemed to be some possibility of the country evolving in such a way that both languages would be in common use from coast to coast." He adds, however, that 1921 proved to be the high-water mark of French Canada. The succeeding decades have witnessed "an accelerating disappearance, through assimilation, of Francophone communities left isolated and far from Quebec." Similarly, he notes that while in the mid-19th century persons of British origin represented 37 per cent of the total population of Quebec County, which includes Quebec City, they have now fallen to approximately 3 per cent.

Joy says only one seventh of the Canadian population is able to speak both official languages, and the minority of this group lives in a "bilingual belt" situated in northern New Brunswick, southern and western Quebec, and northern and eastern Ontario. Elsewhere in Canada he finds an increasing tendency toward an exclusive use of one or the other of the two official languages. "Only inside the bilingual belt, particularly in the metropolitan areas of Montreal and Ottawa, is there still a moderate probability that minority language will survive," Joy contends.

The 1971 Census, he adds, "brutally exposed the fact that, among the 719,190 persons of French origin born in Canada and living in

Ontario, well over half (394,240) reported English as the language used most frequently in their homes."

French-speaking minorities fade away through assimilation, he observes, whereas migration reduces English-speaking minorities. "Within Quebec," he comments, "there has been very little net assimilation toward the majority language, and it is the continuing departure of Anglophones that has left French the dominant language almost everywhere in the province outside Montreal; knowing they have a whole continent in which they can live and work in their own language, most Anglophones find it easier to leave Quebec than to make the effort required to live in French."

HEALTH AND SAFETY

Deaths and injuries, 1977

Occupational accidents and illness took the lives of some 924 workers (or 9.4 per 100,000) last year in Canadian industry, according to preliminary Labour Canada data based on workers' compensation board reports from across the country¹.

Work-related injuries numbered 1,036,897 (or 10.57 per 100 workers) in 1977, of which 46 per cent were disabling².

Total costs of compensation for

injuries and deaths amounted to \$874,366,000 in 1977, an increase of 9.4 per cent over 1976.

Goods-producing industries, which in 1977 employed about one third of all workers, again accounted for two thirds of all fatalities, with the fishing, forestry and mining industries continuing to be the most hazardous.

By occupation, craftsmen and related workers continued to account for about one third of all deaths, followed by transport workers, miners and labourers.

By sex, males accounted for 98 per cent of fatalities. By age, employees over 25 years accounted for 75 per cent of deaths.

The Labour Canada figures do not include deaths and injuries affecting employees *not* covered by workers' compensation, and are therefore under-estimated by 25 to 30 per cent.

Right to refuse unsafe job

Quebec has announced its intention to allow employees to stop performing or refuse to perform work that they consider hazardous to their health or safety.

A provincial government policy paper released in October said employees could take the action without penalty, and the onus of disproving the allegation would be on the employer.

Last year 199 workers in Quebec died from job-related accidents or illness, and approximately one of every 12 suffered an injury.

The white paper on health and safety also recommends increased emphasis on prevention and the establishment of joint worker-management safety committees in all companies with 10 or more workers. The committees would be phased in, starting with industries with the worst safety record — in other words, an annual accident rate of at least six per 100 workers.

Three other provinces — Manitoba, Saskatchewan and Ontario — as well as the federal government have given workers the legal right to refuse dangerous work.

"Assembly-line hysteria"

Investigators for the U.S. National Institute for Occupational Safety and Health are investigating an apparent increase in "assembly-line hysteria" — their name for mass psychogenic illness for which they can find no physical cause such as a chemical, a gas or an infectious agent. Data they now have on 1,000 victims suggests that mass psychogenic illness occurs "more often than might be imagined," says a report in the June, 1978, issue of *Psychology Today*. It is likely to occur when

¹ This compares with 1,058 deaths (or 11 per 100,000 workers) in 1976, and an average 1,155 a year (13.4 per 100,000 employed) in the 1968-77 period.

² This compares with 1,044,499 injuries (or 10.85 per 100 workers) in 1976 and an average 910,460 injuries per year (10.54 per 100 workers) in the 1968-77 period.

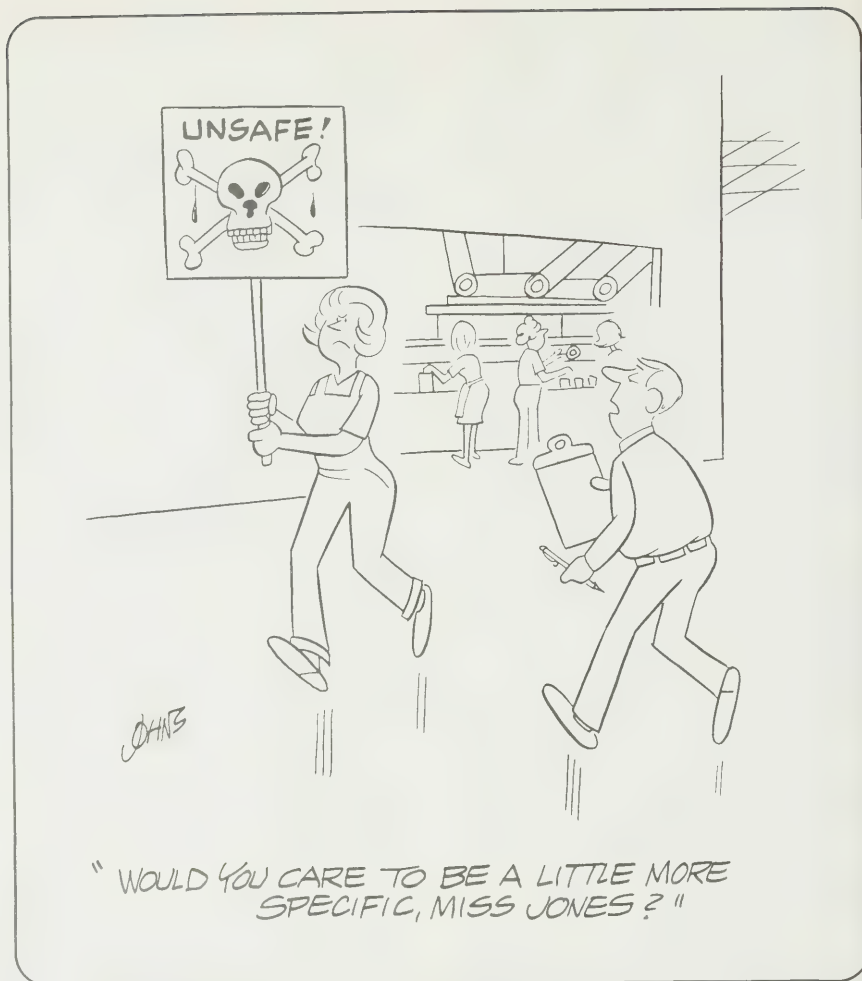
several people find themselves in a stressful situation with no customary way of coping with it. "Belief in an ambiguous threatening force apparently then develops," the report adds. Boredom from performing dull repetitive tasks also seems to play a key role. And since women are the most frequent victims, institute psychologists are considering whether some kind of sex-role conflict predisposes them to mass psychogenic illness.

Company fitness programs

Company-sponsored employee fitness programs are gaining popularity in Winnipeg. About 100 of the 500 employees of Richardson Securities of Canada take part regularly in programs using a track around an observation gallery on the 31st floor of the Richardson Building at the intersection of Portage and Main streets in downtown Winnipeg. Bristol Aerospace Ltd., an aircraft components manufacturer, runs part of its program at the swimming pool of a nearby motor hotel. Other companies, including the Great West Life Assurance Co., Cargill Grain Co., Prairie Equipment Ltd. and Boeing Aircraft have also supported programs.

Highest lifespan

According to 1977 figures published by Japan's Ministry of Health and Welfare, the life expectancy of Japanese men is 72.69 years, highest in the world, and that of Japanese women 77.95 years, also the highest along with Sweden. Now that Japan has become "the country with the longest average life span," belated welfare policies covering pension plans and retirement age will be more clearly highlighted.



WORK STOPPAGES

Back-to-work legislation

Parliament passed special legislation to end strikes twice in October, 1978, a step it had taken only eleven other times since it passed an unprecedented emergency law to end a national rail strike on August 30, 1950.

The Acts of Parliament ending the fall 1978 walkouts by 375 marine engineers who man Canada's Great Lakes fleet, and by 23,000 inside postal workers, were passed

to force the resumption of services considered essential.

And, as is usual in such circumstances, there were calls for outlawing all strikes in the public sector, or at least for more severe limitations than exist now on the strike rights of employees in essential services.

In a Gallup poll taken before the postal strike started, 63 per cent of people interviewed opposed the right to strike for public employees — including 49 per cent in households in which one family member belonged to a union.

But would outlawing public service strikes put an end to them? Organized labour argues that to take away the right legally does not end strikes but results in defiance of the law. This was certainly true in the case of the special legislation to end the postal walkout, as employees continued to maintain picket lines even after the legislation was passed.*

If the strike right is denied, unions ask, what guarantee do employees have that their rights will be upheld? Without the strike option, their negotiators' bargaining power is diminished while that of the employer is increased. Obviously, if the right to strike is to be denied, adequate compensation would have to be made for the loss of that right.

Some of the arguments put forward for denying the strike right to public-sector employees centre around the differences between collective bargaining in the public sector, which is directly supported by taxes, and the private, profit-oriented sector.

In a private-sector strike, the goods or services provided by the struck firm are more likely to be available from other sources, and so the public at large suffers minimal inconvenience. In a public-sector strike — as in the postal walkout — alternative services are not readily available, and the public is directly affected.

A strike or lockout is supposed to

hurt both sides in a dispute, and thus bring about the motivation for a settlement. The argument is frequently put forward, however, that in the public sector it is not the employer who is hurt but the public at large.

Some would say private employers have more incentive to hold out against high wage demands because they would affect the company's prices and hence its ability to compete. Governments, it is argued, are likely to be more generous because they can raise taxes to cover the higher costs.

Nevertheless, politicians who raise taxes stand to lose their seats in the subsequent election, as an outraged public votes them out of office. This is particularly true in times of slow economic growth.

Also to be considered is the whole question of the value of public services. The public becomes accustomed to expecting certain services in much the same way it expects the sun to rise and set. A strike reminds the public dramatically of the worth of such services. It reminds taxpayers of a truth they rarely want to hear: services must be paid for, and the public payroll is part of the cost. No wonder public-service strikes are unpopular!

Columnist Don McGillivray, in the October 23 *Montreal Gazette* aptly termed specific back-to-work laws as a "confession of failure."

"They mean, in essence, that a legal strike is transformed into an illegal one," he wrote. The right to give or withhold labour, which is taken for granted by most of us, is removed from a specific group of citizens. They are told by Parliament that they must work, under


penalty of law, whether or not they are satisfied with the pay and conditions. Such suspensions of rights — similar to those possible under the War Measures Act — are justified in a democracy only by a national emergency."

The Canadian "solution" likely will be to leave public employees with the right to strike but to legislate it away from them in specific situations considered by a majority in Parliament to be national emergencies. A Parliamentary majority has taken that step 14 times from August 1950 to October 1978. Historically, the strikers so ordered back to work have come out ahead of the disputed employer often under terms set out in the legislation or arbitrated later.

Don't rock the boat

Last year Austria had exactly one strike, involving 43 employees who stayed off the job for two hours — a total time loss of 86 hours or 0.1 seconds per person employed in the country.

One reason advanced for Austria's calm labour scene is the country's high degree of social consensus between the major economic interest groups. Under an unusual system of social partnership, business, labour and government work in tandem to maintain economic, social and political stability.

The presence of Communist troops next door, as well as memories of the turbulent 20s and 30s and the Nazi occupation, have had some bearing on the development of unity, consensus and harmony in this relatively happy and prosperous European country. 

*Members of the Canadian Union of Postal Workers refused to comply with back-to-work legislation enacted October 19, and ignored court injunctions against picketing. The thirteen-day strike ended October 26 after CUPW members were told to return to work or face dismissal.

special reports

PUBLIC OPINION

How Ontario residents feel about work

The messengers of doom and gloom who claim the ancient virtues of work have disappeared will gain little support from a Canadian Gallup Poll survey of 1,103 Ontario adults on how they feel about work. The findings portray a population "that is neither crushed by the burden of work nor obsessed with a desire to be freed from work," the Canadian Gallup Poll reports.

"Almost three out of five Ontario residents believe they get more out of life when they work harder," the pollsters found. "Over half of those people say that is because of the 'sense of achievement' that goes with hard work. Furthermore, more than half believe that working hard is the way to do a good job. In fact, almost 80 per cent disagree that 'a happy life requires that you do as little work as possible'."

Perhaps the most surprising finding of all is that this strong support for the work ethic comes from the young and well-educated — "in short, the 'comers' in Ontario society" — and to a much lesser extent from older people "whose work horizon lies largely behind them."

Rather than work being a trauma people seek to avoid, the Canadian Gallup findings place work at the

centre of people's lives — lives that are empty if work is not available.

The pollsters conclude: "In short, the serious problem is not work but the possibility we might be deprived of it."*

Strong support for the work ethic comes from the young and well-educated...and to a much lesser extent from older people

People in Ontario do not seek the jobs that are believed to involve the least work: 45 per cent of the respondents said they believe civil servants work the least hard among occupational categories, but only 8 per cent regard the civil servant's job as the most desirable.

*A Gallup Poll released in September found that 75 per cent of Canadians now think high unemployment will continue "for many years to come." Pessimism appears to be most pronounced in the 18-to-29 age bracket where 78 per cent foresee continued high unemployment. The national poll was taken right after Prime Minister Pierre Trudeau delivered his August 1 speech promising new measures to reduce the number of jobless persons in Canada. An economic growth rate of at least 5 per cent is generally considered essential to reduce unemployment, but most economists expect the 1978/79 rate to run below 4 per cent.

About 72 per cent of respondents said they believe they are "moving ahead" in building a secure life and 71 per cent said that if unemployment affected them or their families, they would consider moving to a new city to build a new life.

"These are not the reports of a despondent population," Gallup comments. "These are the reports of people who are 'doing just fine' and one can well question the validity of the concern some leaders verbalize about security." Gallup says the responses raise several questions:

- Do Ontario residents need or appreciate concern by public bodies for their personal security?
- Does the state of the economy really reflect the optimism or pessimism of the people within it?
- Do people in general not do a fairly good job of looking after their own lives?
- Is there not a "quiet pride" present in most people. If there is, have we taken it fully into account in the rush to social planning? Are social planners sure they are not "social intruders?"

Another surprising answer came to the question of what advice

Ontario residents would give to adult male and female teenagers. For females, 41 per cent answered, "Get a college education," while 23 per cent replied, "Become skilled in a trade." For males, the percentages were only 27 per cent for college education and 46 per cent for a skilled trade.

These are the respective female/male percentages for other advice: Work at anything until the right thing comes up, 16/14; become a professional (doctor, lawyer, etc.) 10/9; get a job with the government, 7/2; start a small business, 3/4; None, don't know, 5/3.

Gallup says these responses raise other questions that should be pursued:

- Has college education failed with males or succeeded with females?

- Are skilled trades now becoming the prestigious occupations?
- Are we underrating "on the job training" and overrating institutionalized preparation for work?

"There is no evidence in our study to suggest that Ontarians are a despondent population buffeted by unemployment and price rises"

- Are the professions losing ground?
- Is the elitism of government work finished, or did it ever exist?
- Have we lost all faith in 'going it on your own with a small business'?

- What does it mean that only 4 per cent (i.e., the average of 5 per cent and 3 per cent) could not answer these questions?


Some other questions, and the responses:

"The harder one works, the more one gets out of life." Agree, 58 per cent; disagree, 39 per cent; don't know, 3 per cent.

"The harder one works, the better job one does." Agree, 52 per cent; disagree, 41 per cent; don't know, 7 per cent.

The pollsters found these percentages of *disagreement* on specific statements: the harder you work the fewer jobs there are for other people, 52 per cent; most of the people having emotional or mental problems work too hard, 41 per cent; labour unions encourage their members not to work too hard, 29 per cent; people really do not work as hard as they should, 19 per cent; if you are not well paid you should still work hard, 11 per cent; if you are well paid, you should work hard, 8 per cent.

"In spite of the current economic climate there is no evidence in our study to suggest that Ontarians are a despondent population buffeted by unemployment and price rises," Gallup comments. "Our survey findings are evocative of a society that senses success far more than it bemoans failure, that continues to show belief in the work ethic and that has developed a skepticism about the value of some of its most powerful institutions, for example, its educational structures."

Gallup concludes: These opinions offer some surprises "to those of us who gain our 'facts' from the news media." 



"It's awfully hard to get decent help nowadays."

Absenteeism and labour turnover in selected Ontario industries

Management regards absenteeism and labour turnover as the most serious personnel problems facing employers in Ontario, according to a survey conducted by the provincial ministry of labour. Nevertheless few companies compile statistics on absenteeism and turnover; fewer than 25 per cent have tried to find their underlying causes; and fewer than 10 per cent have made any special effort to prevent them or even control them. The survey findings also suggest that both problems could be reduced by improving the work environment.

The study was undertaken in 1976 by the ministry's research branch and authored by economists Gordon Robertson and Jane Humphreys.* A mail survey of 1,600 establishments drew responses from 958, or 59.8 per cent. However, only 11 per cent of the firms canvassed provided data on absenteeism and only 15 per cent on labour turnover. As a result, the data should be interpreted with caution. The firms surveyed were from all five regions of the province and represent nine industry groups. The emphasis was on resource-based, related manufacturing and selected transportation industries, vital to the provincial economy.

Only 17 per cent of the responding

organizations reported they compile statistics on absenteeism for management review and only 13 per cent on labour turnover. Another interesting finding is that only 5 per cent compile productivity statistics, only 11 per cent keep statistics on time lost to work injuries, and only 3 per cent on labour-management relations.

By industry, the researchers found, banks and accommodation and

Few companies compile statistics on absenteeism and labour turnover or make special efforts to prevent or control them

food service establishments monitor turnover more frequently than absenteeism, while in logging statistics are compiled most frequently on time lost to work-related injuries. Owing to the nature of the business, statistics on theft and sabotage are compiled most frequently in retail trade, which also was found to be the most concerned about absenteeism.

Several contrasts appear in responses to questions on whether the employers surveyed were experiencing any human relations problems at the time of the study or during the previous three years. Absenteeism and labour turnover were each identified by more than one third of the establishments canvassed — 36 and 37 per cent respectively — interesting in view of the fact that fewer than one half of those reporting a problem could

actually have been compiling statistics on it.

Absenteeism is experienced more frequently than turnover in large establishments and in resource-based, related manufacturing and selected transportation industries (except logging and metal mines) while turnover is experienced more frequently among small companies and in service-type industries.

Some other findings:

- Personnel problems — particularly labour shortages — appear to be more pronounced in North-western Ontario than elsewhere in the province.
- Alcoholism is a more common problem for metal mines and paper and allied industries in north-western Ontario than for the same industries in other regions.
- Poor labour relations are seen as a more serious problem for logging and banks than for other industries.
- Females have generally higher turnover rates in Ontario than males; however, in some regions and industries, males have higher rates than females.
- The causes of both absenteeism and turnover cited most frequently by management include personal problems, a poor work ethic, and dissatisfaction with working conditions.

The study does not distinguish between voluntary and involuntary absenteeism (resulting from injury, sickness, industrial disputes, and

*The study (titled "Labour Turnover and Absenteeism in Selected Industries: North-western Ontario & Ontario) is component No. 10 of the Northwestern Ontario Manpower Adjustment Study, sponsored by the federal and Ontario governments and coordinated by Mel Soucie of Employment and Immigration Canada and Farid Siddiqui of the Ontario Ministry of Labour.



" DID YOU ENJOY YOUR WEEK OFF, MISS HARTLY? "

figures include the cost of advertising, interviewing, training and orienting the new employee, lower productivity due to inexperience and lost productivity resulting from the vacancy.

The interviews with management also revealed that it is not uncommon for firms to overstaff by up to 10 per cent, particularly in production areas, to avoid the disruptive effects of absenteeism.

In addition, the researchers found a large disparity in absence and turnover rates among establishments within individual regions and industry groups. This would appear to indicate that "at least part of the problem rests with the individual establishment."

While a number of employers are aware that their own terms and conditions of employment contribute to absenteeism and turnover, most companies perceive these problems to be a consequence of factors beyond their control, including a poor work ethic or the personal problems of their employees. Moreover, this attitude is reflected in the lack of positive action being taken to control or solve the absenteeism/turnover problem.

One conclusion of the study is that the reduced rates of absenteeism and turnover experienced by those firms that have taken steps to improve the "intrinsic" aspects of work would suggest that a good deal more could be accomplished if more attention were paid to the management of human resources. Employers could perhaps give more thought to enhancing opportunities for advancement, increasing employees' involvement in decisions affecting their jobs, and trying to improve the nature of the work itself. [g]

so on). It's also worth noting that the findings do not incorporate the views of employees or their representatives.

Robertson and Humphreys note that employers tend to place the responsibility for absenteeism on the worker. "Only in Northwestern Ontario do establishments seem willing to look within their own organizations for at least some of the causes."

- The most common methods of controlling absenteeism reported are discipline, employee counseling, and selective recruiting.

Common methods of reducing turnover are selective recruiting, employee training and counseling, and improving the terms and conditions of employment. The methods chosen vary considerably among the industries surveyed.

Absenteeism is costly. While the responses are not sufficient to provide accurate data, interviews with senior managers in a cross-section of companies indicate that the cost of absenteeism ranges from one to three times the hourly wage rate of the absent worker, depending on whether employees are paid for days absent, whether absent employees are replaced and the degree of experience of those who replace them.

It is not uncommon for firms to overstaff by up to 10 per cent to avoid the disruptive effects of absenteeism

The cost of turnover ranges from \$3,000 to \$7,000 for the average employee, depending on the method of replacement. These

Work stoppages and the problem of conflict duration

Many Canadians felt concern about the future of their country's industrial relations when they learned recently that 3,731,390 man-days (0.29 per cent of estimated working time) were lost in 580 work stoppages during the first seven months of 1978, an increase of about 92 per cent from the 1,944,560 man-days (0.17 per cent of estimated working time) lost during the first seven months of 1977. By industry, time lost did not change appreciably in manufacturing (1,349,270 man-days in 1978), but there were big increases in mining, from 79,440, to 676,100; in construction, from 296,910 to 617,780; and in the transportation, communication and other utilities category, from 115,590 to 533,180.* Declines in strike activity were registered in forestry, fishing, finance and services.

The public's concern has been fired by the high visibility of some 1978 stoppages, among them the strike by the International Brotherhood of Electrical Workers in Alberta that affected preparations for the Commonwealth games in Edmonton; a strike and lockout involving 1,200 brewery workers in

British Columbia; a nation-wide strike and lockout in the meat packing industry; a province-wide strike by carpenters in Ontario; the bitter 135-day strike by the United Auto Workers at the Fleck Manufacturing Limited plant in Ontario; the Toronto transit strike that was ended by legislation; the Air Canada strike by the International Association of Machinists; strikes at the Dosco plant in Sudbury, at de Havilland's plant in Downsview, Ont., and a stoppage in Great Lakes shipping; strikes by the letter carriers and the inside postal workers; and the threat of more strikes to come.

1978 promises to be a somewhat turbulent year. James Bagnall of *The Financial Post* wrote in July of the "summer of discontent" that had "burst across the country" as major unions launched a "concerted offensive" against the federal government's recommended limit of 6 per cent on wage increases. (More than 46 per cent of time lost in the first seven months occurred in June and July). And Don McGillivray of Southam News Services warned that unions would be making strong efforts to get higher wage increases as Canada approached 1979.

No wonder the impression exists that the Canadian labour scene is in constant turmoil, even though an Economic Council of Canada study has shown that during the "stormy 1967-75 period almost 80 per cent of all major collective agreements covering 500 or more persons in the private sector and nearly 90 per cent in the public sector were concluded without disruptions of any kind, and about one-half of these even without

recourse to third-party intervention. Inclusion of smaller bargaining units would make the percentages of "peaceful" settlements even higher.

Why, then, the belief that Canada has a basically troubled industrial relations system? Why the emphasis in the public mind on work stoppages? One answer is, of course, the obvious one that the work stoppages draw a great deal of public and media attention. The unusual situation appears to be the "usual" one in the public mind because it is a situation to which the public is regularly exposed.

Another answer is provided in two studies recently undertaken for Informetrica, an Ottawa economic research firm, by Paul Malles, an industrial relations specialist. The studies, entitled *Canadian Industrial Conflict in International Perspective* and *Conflict Incidence and Duration in Canadian Industry*, point out that Canada and the United States have strikes that, on average, last much longer than

*After peaking in 1976, when nearly 12 million man-days were lost in industrial disputes — an estimated loss of 0.55 per cent of working time — there was a considerable reduction in time lost during 1977. The 3,307,880 man-days lost last year were the least since 1971, and the ratio to estimated working time — 0.15 — was the smallest since 1964.

By province, Quebec had the worst record for the first seven months of 1978 — 1,107,460 man-days lost (1,025,870 in 1977) — while Ontario, which has a larger labour force, lost 1,011,310 (672,600 in 1977). The federal public service and industries under federal jurisdiction lost 473,190 man-days in work stoppages, compared with 148,210 for the first seven months of 1977.

Holland — London Daily Telegraph



those in most other industrial countries. However, in terms of the percentage of the work force involved in strikes, Canada's record is much better than that of most other industrial nations.

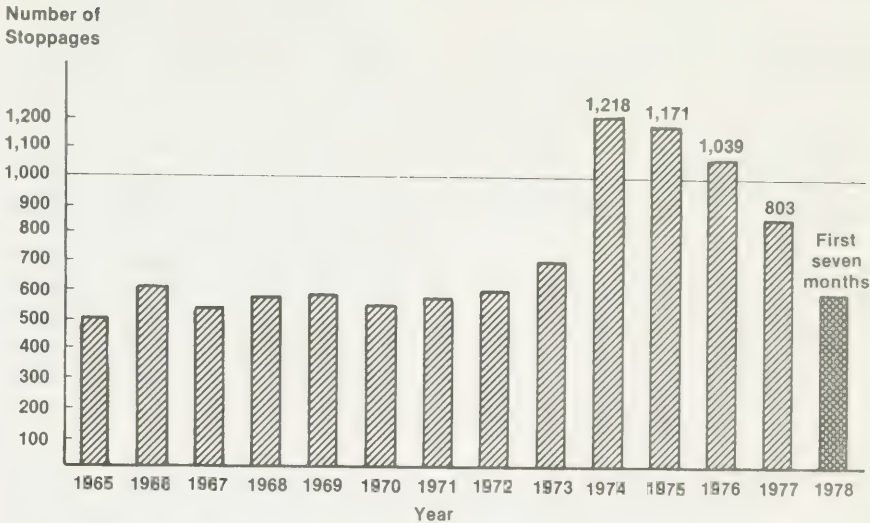
The conflict picture in Canada is "heavily weighted" by the strikes "that drag on over weeks and months, and are isolated in time and locality," Malles finds. "This not only tends to inflate the overall time loss, but also conveys the impression of perpetual, large-scale industrial unrest in Canada, which is, in fact, contradicted by the relatively low rate of worker involvement relative to employment. That is, time loss which under the more highly centralized

Canada has strikes that, on average, last much longer than those in other industrial countries, except the U.S.

and less diversified bargaining systems prevailing in most industrial countries of the West would indeed indicate massive social tension and labour unrest, does not carry the same significance under Canadian conditions."

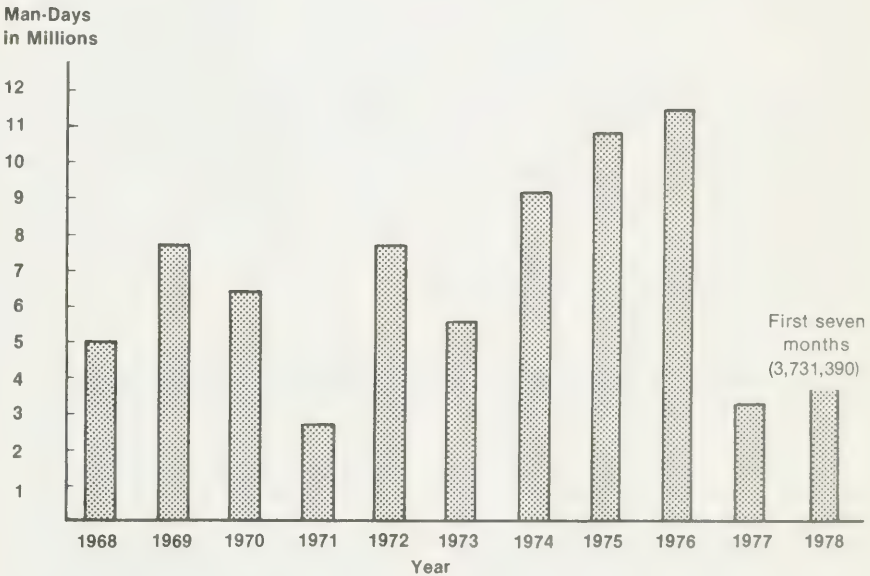
Malles points out that, though international work stoppage data published by the International Labour Organization are not comparable among individual countries, they have been used to support the contention that Canada's industrial conflict record "is the worst except for Italy's." He uses the same data to show that if the percentage of the paid work force involved were used as the comparative figure instead of man-days lost per thousand employees, Canada would rank well behind Italy, with 40.2 per cent of its labour force involved in work stoppages; Australia, with 28.9 per cent; France, with 13.4 per cent;

CANADA — ALL INDUSTRIES NUMBER OF WORK STOPPAGES



Labour Data Branch, Labour Canada

TIME LOST IN STRIKES



Labour Data Branch, Labour Canada

the United Kingdom, 7.0 per cent, and Japan, 6.3 per cent. The Canadian percentage was 4.2 and the U.S. 3.6. The data cover the 1970-75 period.

On the other hand, in terms of working days lost per worker involved in work stoppages, the U.S. leads with 15.5 per cent, Canada is second with 15.0 per

cent, followed by, in order, Belgium 11.8 per cent; Sweden, 9.1; the United Kingdom, 8.9; Denmark, 7.5; The Netherlands, 6.4; Germany, 5.3; Italy, 3.7; Japan, 2.7; and Australia, 2.5 per cent.

Malles lists several reasons frequently put forward for the lengthy duration of the strikes that do occur in Canada:

- "It is taken for granted that conflicts of interests in North American society — and not only those between management and labour — are being fought out to the bitter end with no holds barred and with little or no concern for the public interest."
- The "lack of realism" in opening bargaining demands "raises the immediate expectation of the membership" so that when a strike does occur the leadership often dares not go back to the membership "before the members themselves signal the end of the conflict."
- "Similarly, management often refuses to state its own counter-offers, or states them in such unrealistic terms, that the conflict not only becomes inevitable, but is also unnecessarily prolonged."

In terms of the percentage of the work force involved, Canada's strike record is much better than that of most industrial nations

- The "extreme complexity" of North American agreements which extends negotiations far beyond the expiry date of the previous contract, "thus creating a sense of frustration by which the so-called 'cooling-off' periods built into the system in fact become 'heating-up' periods."
 - "Another argument sometimes put forward by unions, is the acceptance of strike-breakers during legal stoppages which may prolong a conflict almost endlessly, a practice either frowned upon in most European countries as socially unacceptable or impeded by agreement or law."
- The present belief that Canada's industrial relations scene is stormier than it actually is, largely because our strikes are more visible and last longer, may lead to political pressures for more government involvement in the collective bargaining process and

for even further legal limitations on the process.

Malles quotes this observation from an Oxford scholar: O. Kahn-Freund: "There is no correlation between the incidence of stoppages (measured either in the number of stoppages or in items such as working days lost) and the elaboration of the law of strikes, nor is there any visible connection between the interest shown in that branch of the law and the degree of prosperity enjoyed by a given community."

Malles says Canadians, despite the range of arguments put forward, really know little about the causes of the "excessive" time loss in Canada which comes about, above all by the "over-long" duration of individual conflicts.

What is needed, he maintains, "is that the parties themselves most immediately involved take the issue up for study, discussion and negotiation and arrive at a labour code of their own rather than rely on government or any other third party to find a solution to the problem of conflict duration." [g]

Roy LaBerge

PRODUCTIVITY

Quality of working life a key factor?

Productivity is a subject as wide-ranging as the economy itself, influenced by a multitude of factors and government policies (see box, p.501). The debate about productivity (output per worker), however, has been one of the most unproductive ever.

It is not surprising therefore that the federal government has seen fit to create a national Centre for the Study of Inflation and Produc-

tivity under the auspices of the Economic Council of Canada.

But whatever may be achieved in the long-run by changes in government policy designed to make Canadian industry more competitive, current economic developments make productivity improvement a matter of some urgency for Canadian companies at the individual level.

Canadian and U.S. research indicates that there has been a long-term decline in the rate of productivity growth in Canada, and that the country's performance in this regard has been particularly disappointing in the 1970s by comparison with France, Italy, West Germany and Japan.

While Canada has consistently outperformed the U.S. — its principal trading partner and compe-

titor — in terms of labour productivity improvement, the gap is closing, with Canada still lagging behind the U.S. in overall productivity levels in the manufacturing sector. Moreover, there are indications that the Canadian level of productivity measured in terms of capital inputs is at least 20 per cent lower than that of the U.S., and more than 30 per cent below levels in other industrialized countries.¹

Meanwhile production costs have been rising faster in Canada than in the U.S., thus reducing the ability of domestic manufacturers to compete with U.S.-based firms.²

The picture becomes more ominous with international pressures for relaxing Canadian protectionist trade barriers, and with expected hikes in labour costs following the winding-down of the Anti-Inflation Program.

In the 1960s, increases in labour and capital costs were offset by productivity gains, but in recent years sluggish productivity growth has caused unit production costs (the cost of producing a given unit of output) to climb more rapidly in Canada than in the U.S.³

There is considerable variation in unit labour costs among individual industry sectors, however, owing to variations in rates of productivity growth. Some Canadian industries (rubber and plastics, machinery and transportation equipment, for example) appear to be close to or more productive

The recent deterioration in Canada's productivity performance has been attributed to a combination of factors. Among them: cyclical weakness and structural shifts in the economy, changes in the composition and behaviour of the labour force, insufficient research and development activity, and increasing intervention by governments.

Although the marked shift to service-sector employment may account in part for the low rate of productivity increase in Canada, it is worth noting that the loss of momentum has been most pronounced in the goods-producing sector.

Another factor on the employment side which is thought to have affected the growth rate and level of output per worker is the increasing proportion of part-time and temporary workers in the economy (mainly women and young people). In addition, a high rate of growth in the labour force has meant that labour supply in Canada has not been a constraint to increased production, thereby diminishing the incentive to use labour as efficiently as possible.

The low rate of productivity growth in Canada has also been attributed to the state of labour relations and the work environment generally. There has been a dramatic rise since 1965 in the number of labour disputes per year and the employees involved in them, with the result that the proportion of available working time lost to work stoppages has increased from an average 0.14 per cent a year in the 1951-65 period to 0.36 per cent from 1966 to 1977. Moreover, labour disputes have broader repercussions across the eco-

nomy, rendering more severe the negative effect on output per worker.

More serious is the problem of absenteeism — both voluntary and involuntary — which has cost the economy much more time lost than strikes.

Finally, increasing government regulation of economic activity is thought to have hampered productive efficiency by diverting manpower and capital resources away from the traditional production and marketing functions of business.

Despite these limitations, however, individual firms and industries have considerable room for manoeuvre within the existing socio-economic framework. Among individual initiatives now being taken to enhance corporate performance are: improved productivity monitoring systems; information gathering and dissemination; corporate restructuring and plant modernization; consortia arrangements and modern management control systems; incentive and education programs designed to increase the skills and motivation of employees.

The role of government in creating a policy environment that is more conducive to productive efficiency comprises, among other things: dissemination of information on productivity improvement; effective labour relations policies; appropriate use of stabilization policies to counter cyclical downturns, and commercial and competition policy to bring about necessary structural change.

than their American counterparts, while others (paper and leather products, for example) have shown poor productivity growth since the 1960s.

The Canadian Labour Congress dismisses Canada-U.S. labour-cost comparisons as "completely arbitrary and unsubstantiated." The

CLC says the estimates omit fringe benefit payments, which constitute a higher proportion of the U.S. compensation package relative to Canada. Moreover, the figures in Canada's case come only from companies with 20 or more employees — whereas the

¹ It should be noted, however, that a recent study by the Conference Board in Canada found a significant difference in productivity levels between durable and non-durable goods industries, with the former reaching about 96 per cent of U.S. productivity levels, while the latter attained only 72 per cent of the U.S. level. It's also interesting to note that industries with a good labour productivity record generally do well in terms of capital productivity.

² Research by the Conference Board in Canada indicates that the earnings gap

between U.S. and Canadian workers — which stood at about 20 per cent in 1966 — has been eliminated or reversed. On an aggregate basis, average earnings in 64 Canadian goods-producing industries had climbed to 102 per cent of those in the U.S. by June 1975. In 19 service-sector industries studied, average earnings in Canada were 112 per cent of those in the U.S. by mid-1975. Although the rate of increase in plant and equipment costs has been just as striking as the upward movement in wage levels, payments to labour are the most important element in the

cost picture because they represent the largest share of national income in industrialized countries.

³ Although the recent decline in the international value of the Canadian dollar has significantly offset the deterioration in Canada's cost position vis-à-vis the U.S., its major competitor, such relief will be short-lived if it leads to higher prices for imported materials and equipment, and higher labour costs as workers attempt to recoup losses in real income caused by higher prices for consumer goods and services.

U.S. data are not restricted by firm size — thus giving a “significant upward bias to the Canadian earnings data,” the Congress adds.

While there are indications that total compensation for all employees is indeed higher in the U.S. than in Canada, the reverse has been found to be true for production workers.

Some would also argue that Canada's competitiveness depends on factors other than labour cost and that productivity improvement depends primarily on capital and technology.

In the U.S. there appears to be growing preoccupation with practical solutions rather than with counter-productive debate on statistics, and arguments about who bears the blame for poor productivity performance. Within this more constructive framework, increasing emphasis is being placed on the productivity payoff of good labour-management relations and an improved working environment.

A symposium on “Work in America: The Decade Ahead” was held this year in New York to develop policy guidelines for shaping an effective work environment in the 1980s. *World of Work Report*, published by Work in America Institute, observed that there was a surprising unanimity of views among the 100 participants from management, labour, government, the media and educational and research institutions. The consensus was that making better use of human resources and improving management of the modern work force are key elements in raising productivity.

The key to progress, it seemed to many participants, “is in the development, slowly and painstakingly, of an environment of mutual trust” between workers and management. Critical elements are man-

agement credibility, adequate employee information, and consistency in administration and company policy. The features of most immediate concern to workers in any quality of work life program are:

- job security and due process;
- a good physical environment;
- a variety of incentives to encourage achievement;
- recognition and promotion;
- pride in work and in product quality;
- a work environment that promotes family stability and control over life outside the workplace;
- services, such as health care, credit unions, and supporting services.

“I do not know of a single instance where improved quality of working life didn't lead to improved productivity,” *Business Week* quotes Theodore Mills, director of the American Quality of Work Centre in Washington, D.C., as saying.

More and more North American managers will become involved in issues relating to the quality of working life, according to George H. Kuper, executive director of the National Center for Productivity and Quality of Working Life in the U.S.

“Some will do so because they are self-starters who see this as a way to raise performance to new heights,” he writes in *Labor Law Journal*. “The majority will do it in order to meet external pressures.”

Kuper agrees that employers' unions' and government's interests in QWL are not identical, but he says they have much in common. “When representatives of the three sit down together they perceive shared interests they did not see

before. When this discovery takes place in an atmosphere that allows something to be done about these shared interests, it becomes easier to discuss issues that are not as obviously of mutual interest.”

Many American companies do rely heavily on improvements in work life to promote productivity, but most regard any cost savings as competitive information to be kept under wraps, according to a recent *Business Week* report on productivity in America.

Despite traditional fears of “workers' control,” there are also instances of American companies that are experimenting with various forms of worker participation in decision-making. “People support what they help create,” observed Delmar L. Landen, a director of personnel and development at General Motors. GM's plant at Tarrytown, New York, had a dismal productivity performance until the company took the union in its confidence and started applying workers' suggestions.

Effective innovation for increased satisfaction and productivity must take into account all aspects of the work environment, however. Job security and prestige, for example, may be just as important as job enrichment or worker participation in decision-making. Among other significant factors to consider are work pace and the way work is organized.

Commenting on the success of quality-of-working-life experiments at General Foods' pet food plant in Topeka, Kansas, where workers themselves carry out many tasks formerly done by management, Professor Bruce Peters observes: “Cost is lower, quality and production higher than in conventional plants. As a result of this success, the plant will possibly be returned to a traditional factory system,

because it was too threatening to too many people."

Writing in the *Personnel Journal*, Peters notes that if managers were given the same assurances of job security that union members are given in successful innovations, there would be greater likelihood of success. "We have simply failed to recognize the security needs of another set of employees who are in a position to reject innovation or ensure its failure" — management, particularly at the shop-floor level. (LG Sept. '78, p.386)

Kuper notes that management and workers may have to grasp that "economic stability, job security and productivity improvement reinforce one another." U.S. workers, he notes, "are pressing harder and harder for the level of job security that now prevails in Europe."

He also writes that any effort to promote co-operation must take into account the anxieties that "beset" both sides: "Leaders on both sides are fearful of losing control; followers of being exploited."

J.M. Rainville of the School of Industrial Relations at the University of Montreal found in a study of production workers in three firms that job security is the most important factor affecting satisfaction for all workers. Rainville also found that regardless of the degree of job enrichment, the pace of work is a critical factor in determining the level of worker satisfaction: where the pace is rapid, high levels of job enrichment go with lower levels of satisfaction. Wage levels are also important. High-wage workers are more satisfied with their jobs even when the level of job enrichment is low.

Quality of work life improvements and worker participation have staunch supporters in Canada, among them R.D. Pollock, president of Canada Wire & Cable Ltd. But, as Pollock himself notes, "We in Canada are moving too slowly... we're lagging behind most industrialized countries in experimenting with QWL programs just as surely as we are lagging in productivity and in our standard of living."

Canada Wire & Cable is introducing QWL programs involving work rotation, minimum supervision and plant committees to identify and solve problems. "From experience in our company, I am convinced of the link between participation and productivity," Pollock said. "I see QWL programs in very basic terms, namely, you and I are more willing to support a decision to which we were a party than one to which we weren't."

"I believe that if we can broaden workers' participation, we can generate greater job satisfaction, higher productivity, lower costs, and through lower costs, more jobs," Pollock told an industrial relations conference organized recently by the Personnel Association of Toronto.

He stressed that labour-management co-operation in QWL programs may be the most important single remedy to Canada's productivity problems, especially as little else can be done in the short term about other factors in the productivity equation. QWL improvements "can make a very real contribution to improving Canadian productivity, faster and more significantly than if you worked to repurchase our industry from foreign owners, to significantly increase research and development, to increase investment in new plants and equipment or to restructure Canadian industry," Pollock added.

Kuper proposes labour-management committees as the institutional framework for improving QWL. He says they will operate more effectively if both parties see themselves in the same boat — for example, when foreign competition threatens profits and employment — when each party is prepared to cede some traditional rights, when the committee's work is "openly and vigorously" supported by labour and management



leaders, when the committees are given the opportunity to accomplish something "visibly worthwhile," when they communicate fully and frequently with the people they represent on both sides. "Finally," he writes, "the most essential precondition is a guarantee from management that no workers — and, for that matter, no supervisor either — will lose job security because of anything the committee may do."

Many believe that organized labour, despite certain apprehensions, is willing to co-operate with management on productivity. "Unions are just against across-the-board formulas that attempt to tie wages to productivity," according to James Frank, a Conference Board in Canada researcher whose statistical studies on productivity are among the leading Canadian indicators.

"The unions know productivity is a big problem for Canada and that we simply must all work for it," says W.D. Rooney, president of Canadian Appliance Manufacturing Co. His company, apprehensive about Canada's performance vis-à-


"Productivity is not a matter of making employees work longer or harder..."

vis America, has launched a comprehensive program to increase productivity by 20 per cent over the next five years. The program, which includes quality of work life features, has the support of the 30 unions representing the company's 5,000 employees.

The Canadian worker can be as productive as any of his or her foreign counterparts, and this can be achieved in part through the simple logic of keeping him or her satisfied and involved. There is always something that can be done, whether in big unionized firms like Canadian Appliance Manufacturing Co. or smaller firms whose employees are not unionized, such as Ottawa's Love Printing Ltd.

Love Printing President I. McJannet has no complaints about the productivity of Canadian workers. "It all depends on how you run the company and how you

treat your people," he puts it simply. The firm offers an attractive fringe package to its 80 employees, flexible working hours, and job rotation. This, as well as prominently displayed posters stressing the value of each individual worker's effort to the team's productivity and well-being, have apparently worked well.

Above all, productivity is a challenge to the resourcefulness and imagination of management. In the words of Richard Gerstenberg, former board chairman of General Motors: "Productivity is not a matter of making employees work longer or harder. Increased productivity results mostly from sound planning, from wise investment, from new technology, from better techniques, from greater efficiency — in short, from the better exercise of the functions of management...Beyond this, productivity depends upon the conscientious effort of every employee, a willingness to do a fair day's work for a fair day's wage." This employee willingness, again, is a function of management. 

Bill Megalli and G. Sanderson

INDUSTRIAL RELATIONS

Limitations on union discipline

In March of this year the British Columbia Labour Relations Board ruled that union members may be fired from their jobs — at union request — for violating the security clauses in their contracts. It was the first clearly defined judgment in Canada on an issue that's been the subject of great contention for many years. (See LG Aug. 1978, p.363).

Now, in a new decision, the board has set out the limitations on trade unions acting under such clauses by ruling that dismissals cannot be sought in an arbitrary or discriminatory way. In other words, the unions simply don't have carte blanche to exercise the power of life and death over a man's livelihood.

The two decisions, taken together, set a firm precedent for Canada in dealing with the complex question of union discipline.

The March ruling said the Office and Technical Employees Union was right in asking the B.C. Hydro and Power Authority to fire a man who had refused either to take part in voluntary, selective strike action

or to contribute a percentage of his earnings, if he chose to continue working, to a special strike fund. The man was not, in fact, fired, because after the board decision he paid fines imposed on him by the union and thus kept his job.

The second ruling made recently, centred on the case of 100 workers who had been ruled as essential by former board chairman Paul Weiler and who therefore could not go on strike against the Vancouver General Hospital along with their 2,100 colleagues in the Hospital Employees Union.

Even though they were not allowed to strike, the union ordered the 100 to pay all but \$100 of their weekly salary to a union strike fund since, in the union's opinion, they were "still part of the overall strike action."

Its rationale was that union members on strike at the VGH were picking up only \$35 a week each as strike pay, for which they had to do 12 hours of picket duty or equivalent strike work per week. The essential or "designated" employees were working their usual 37½ hours a week and that entitled them to roughly three times the amount the regular strikers were getting. Hence the \$100 figure. The designated workers had to give up the rest of their salary to help promote a strike for a contract from which they would benefit just as the strikers would.

But the HEU had another type of assessment in operation for employees at other hospitals involved in the contract dispute but not on strike as the VGH was. That assessment amounted to one day's pay per week. That, according to the designated workers at the VGH, was much less than they were being asked to pay.

The designated workers protested. But the union tried to enforce the assessment against them by requesting their dismissal by the hospital.

The board's ruling against the union was based on a section of the B.C. Labour Code that says: "A trade union shall not act in a manner that is arbitrary, discriminatory or in bad faith in the representation of any of the employees in an appropriate bargaining unit."

...the unions simply don't have carte blanche to exercise the power of life and death over a man's livelihood

The board said: "The Code recognizes that the individual's right to continue work on his own terms must be accommodated to the general right of the unit of employees to bargain effectively with their employer. But it is one thing to say that the use of union security clauses to enforce union discipline is not prohibited by the Labour Code. It is quite another to imply that the abuse of this kind of union power is not regulated by the Code."

The method of strike assessment adopted by the HEU was, in the board's view, clearly discriminatory. A worker in a classification similar to one designated by Weiler as essential who was employed at a non-striking hospital contributed only one day's pay per week to the strike fund. But such a worker at the VGH had to pay all but \$20 a day (\$100 a week) to the fund for every day the strike continued, which in this case was 13 days.

This created a gross disparity in the two assessments and constituted discriminatory treatment on the part of the union.

Furthermore, the HEU assessment against the designated workers was based on gross rather than net earnings. Those workers had to pay all their normal payroll deductions out of the \$100, which meant they took home less than the \$100.

The board said: "To add a Kafkaesque touch, the implication of this union policy was that the more a designated worker was paid by the hospital (because the work in question was more difficult or required more skill) or the more time he spent at work (because of any overtime required), then the less money that worker was actually left with after the assessment. Deductions such as income tax are calculated on gross earnings. Thus, the higher the gross earnings, the higher would be the deductions. But all of these deductions had to be borne by each designated worker out of the same, flat \$100 a week."

The HEU wanted the designated workers fired because, the inference must be, if they weren't, the union would feel compromised in enforcing reluctant union members to abide by the rule of the majority. That was basically the justification for the board's decision in the B.C. Hydro case. But if that rule had been applied in the VGH case, without consideration of the special circumstances, it would have been unfair. So the VGH decision says the unions must be fair in enforcing union security clauses rather than simply applying the letter of the law. [9]

John Clarke

Collective bargaining and government policies

Like the dodo bird, free and unfettered collective bargaining is a thing of the past, according to several participants in the Organization for Economic Co-operation and Development (OECD) conference on collective bargaining and government policies, held July 10 to 13 in Washington, D.C. The conference brought together 150 delegates from 31 countries, including academics, government officials and representatives of employers and unions. The 16-member Canadian delegation was the second largest and included five representatives of Labour Canada.

The view that unfettered collective bargaining is extinct, if it ever existed at all, was expressed frequently during discussion of two papers at a session on the topic, "Developments in collective bargaining and their impact on national economic policies." The papers reflected the differing historical and philosophical perspectives of their authors. Rudolph A. Oswald of the AFL-CIO indicated strong opposition to government interference in the collective bargaining process. On the other hand, Albert Verschuere, director-general of the Federation of Belgian Enterprises, accepted it as inevitable, given broad government responsibilities for economic growth, high levels of employment, and stable prices.

Verschuere said that perhaps the most significant industrial relations development of recent years has been increased government intervention in the interests of ensuring bargaining outcomes compatible with government economic objectives. Intervention has taken several forms, he pointed out, including social contracts, tripartite discussions prior to

bargaining, various forms of tax relief and direct controls. He added that the emphasis was increasingly shifting from mandatory controls and other forms of direct intervention to a search for consensus among unions, employers

Like the dodo bird, free and unfettered collective bargaining is a thing of the past

and governments on the "parameters" within which wage bargains should be struck. There has also been growing recognition that successful anti-inflation policies are heavily dependent on the voluntary agreement of unions and employees, he said.

During the subsequent discussion, there appeared to be substantial agreement on several other points: the increasing role of government

in the bargaining process will continue; unions need to be educated in macro-economic terms; greater information sharing and dialogue are needed among unions, employers and governments, and the development of co-operative arrangements should be actively pursued. Nevertheless, several participants expressed concern about the impact of government intervention on collective bargaining. They feared possible infringement of individual liberties and the substitution of "bureaucrat fiat" for joint decision making by unions and employers.

Similar philosophical differences appeared in discussion of papers on the other conference topics: the medium-term economic environment and industrial relations; the interaction between collective bargaining and government policies in selected member countries; collective bargaining



issues and public policies, and the development of collective bargaining in relation to national economic, employment and related policies.


The paper on this last topic by Professor John Dunlop of Harvard University also pointed up a major difficulty in achieving a tripartite incomes/price policy in countries with industrial relations systems like those of Canada and the U.S. He said that while such a policy was desirable, it would have to meet three requirements: (a) The central labour organization must have the ability to exert the necessary pressure and influence on its national and local unions; (b) the business community must have the co-operation of the various industry sectors; (c) the federal government must be an active participant at the national level to make the program administerable. Sidney F. McKenna, vice-president, labour relations for Ford Motor Company, responded that in the

...responsible collective bargaining is a precondition for responsible pricing policies by business and responsible economic policies by government

U.S. national leaders, whether union or management, "cannot guarantee delivery" — a situation that obviously also exists in Canada.

Whatever their philosophical differences, the participants agreed with Charles G. Wootton, OECD deputy secretary-general, that the economics of all OECD countries were bogged down by common problems: high unemployment, severe trade imbalances, and persistent inflation. Wootton also stressed that responsible collective bargaining is a pre-condition for responsible economic policies by government — a theme echoed by the other papers.

Charles F. Schultz, chairman of the council of economic advisers to the U.S. president, held that it should be possible to achieve a "modest" economic growth in most of the countries without igniting inflation but that this had to be done on a concerted basis. Noting that many countries had turned to voluntary measures for controlling prices, he said no single approach is suitable for every country because of wide differences in institutions and methods of collective bargaining.

Schultz also warned that the temptation to deal with unemployment by slowing down the growth of labour input — through work sharing, shorter hours or longer vacations — should be resisted. Such measures, he said, are not a solution to the problem of unemployment. 

R.L.

CONSTRUCTION

B.C. sets a precedent in joint bargaining

For the first time in recent memory a settlement has been negotiated in the British Columbia general construction industry without mediation or any other form of intervention by the provincial government. For the first time in many a long year there has been no strike or even a suggestion of a strike. And for the first time all 17 trade unions involved will be signing their contracts at the same time, a far cry from the days when they used to leapfrog over one another in a scramble for the best wages and conditions.

All of this has been accomplished as a result of an agreement

worked out by the Caffibies and the Cubbies, with some judicious help from the B.C. Labour Relations Board and the B.C. Federation of Labour, under which the building trades unions bargained under a joint council for the first time in history.

It is a far-reaching agreement that puts B.C. construction bargaining

It is a far-reaching agreement that puts B.C. construction bargaining structures far ahead of anything anywhere else in Canada or North America...

structures far ahead of anything anywhere else in Canada or North America, for that matter. It was years in the making, through tumultuous periods of strikes and lockouts and countless thousands of man-days lost. But in the final analysis it was 10 days — and nights — of debate by the Caffibies and the Cubbies in the Labour Relations Board offices in Vancouver that produced this landmark development.

The Caffibies were the four men representing the building unions supporting the idea of a Common Front Industry Bargaining Structure (CFIBS), a tight, firmly

constituted, united, joint council. The Cubbies were four men from unions supporting a more loosely Co-ordinated Union Bargaining Council (CUBC) that would have left the individual unions free to do their own thing if they disagreed with the common approach.

About 40,000 workers in 17 trades...must in future all settle together or not at all

In the end the Caffibies won. But not before that 10-day drama had been played out in the LRB offices. Throughout most of the time the Caffibies and the Cubbies were kept in separate rooms. Jim Kinnaid and Roy Gauthier of the B.C. and Yukon Building Trades (Union) — a federation of construction unions — were in a third and Len Guy, the then secretary of the B.C. Federation of Labour in a fourth. Paul Weiler and Ed Peck, chairman and vice-chairman respectively of the LRB, moved about from room to room like moths on a summer night, carrying messages, probing here, suggesting there, until the final constitution was approved, setting up the first joint bargaining council in B.C. construction history.

A joint council could have been imposed by the LRB at the request of the provincial government and at times that course was being considered. But Mr. Weiler says the great value of the new structure is that it was approved by the unions voluntarily. They are committed to it and it's they who will have to make it work. He has complete confidence that it will.

It will cover about 40,000 workers in the 17 trades. They must in future all settle together or not at all. No longer will one union be able to strike, throw up picket

lines and close the industry down. No longer will unions be able to hold back, waiting to see how others do before getting down to sincere bargaining themselves. All the old inter-union rivalry over the "pecking order" in wage rates and other conditions should now die a natural death. And if the negotiations this year are anything to go by, it will be an unlamented death.

The constitution under which the new, tight bargaining structure operates provides for a policy committee that determines and formulates contract demands based on resolutions from a wage and policy conference. It comprises four members from each building trade union local involved.

The actual negotiating is done by a bargaining committee comprising two members each per union from the policy committee. But it's the policy committee that decides how the unions should respond to management's proposals and counter-proposals as the bargaining goes on. It's also the policy committee's responsibility to decide whether a recommendation for strike or ratification of negotiated terms should be put to the union members.

Close and easy liaison between the two is maintained by the simple device of appointing one chairman and one secretary for both committees, although neither man has a vote in the final decisions.

The voting procedures are somewhat complicated. But they are designed to ensure that there is no doubt about the recommendations arrived at or about the strength of worker sentiment for or against those recommendations, both union by union and in the overall work force.

Before a strike vote can be held,

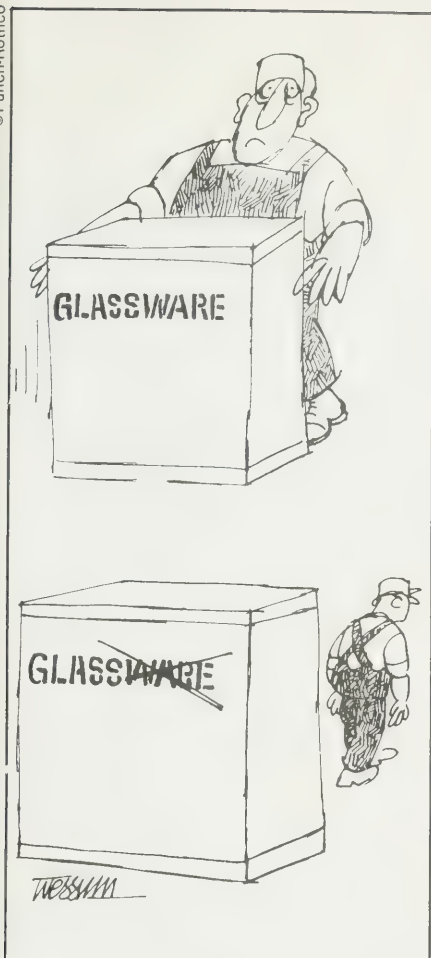
such a recommendation must be approved by at least two thirds of the representatives on the policy committee. The strike vote itself needs only a simple majority. Before a contract ratification vote can be put it must be approved by a similar two-thirds majority of the policy committee. Then the members of two thirds of the unions must approve. Finally all those votes are put into the pot, as it were, and if a simple majority in that count approves, a settlement has been reached. The simple majority vote is not counted unless two thirds of the unions first approve.

...inter-union rivalry over the "pecking order" in wage rates and other conditions should now die a natural death

The results, of course, are binding to all concerned.

The joint council, it should be understood, is responsible primarily for negotiating only the broad general items, such as wages, hours and so on. The individual unions are free and expected to bargain their special trade items themselves, although they do not bring those negotiations to the formal agreement stage in any key areas until a general agreement is ready.

The constitution also designates the British Columbia and Yukon Building Trades Council — the federation to which all the construction unions belong — as the provider of "the necessary administrative resources for the work of the bargaining council." In effect, that means the Building Trades Council runs the show and it assesses the bargaining council a share of its operating costs as a federation.



This new structure differs fundamentally from joint bargaining models in Ontario and Quebec and is, according to Weiler and others, considerably better.

Joint bargaining at the trade level in the Ontario model really doesn't come to grips with the essential problem of competition among the unions themselves or the other general difficulties when employers face a multiplicity of unions. Trade bargaining may provide more stability in contract bargaining than the old local-by-local system. But it sustains the old local-by-local problems by simply mirroring them in a trade-by-trade structure.

In B.C., the Quebec system, in which all the unions in the entire construction industry (road building, pipeline construction, public utilities as well as the general contractors) are lumped together in one council, is seen as an enormous dog's breakfast, where the problems are dramatized and heightened rather than rationally managed.

The individual unions are free and expected to bargain their special trade items themselves

Such a structure would be considered far too unwieldy in B.C. That's why this joint bargaining council has been deliberately limited to the general contractors. The hydro dam builders, the heavy construction road builders, pipeline contractors and the line contractors servicing the public utilities will remain separate and distinct from the general construction bargaining council.

The designers of the B.C. model see just too many internal pressures developing in any organization trying to encompass all the interests of those other groups. There are different problems. Hydro dams, for instance, are built under no-strike, no-lockout agreements with the contractors, primarily because of the critical timing factors involved in dam building schedules. How could construction men, operating under such labour relations constraints, be part of a joint bargaining structure in which strikes or lockouts are still possible?

It may be that wage and conditions patterns among the various construction disciplines will converge somewhat over the years. But the view, among unions

and contractors alike, is that the nature of those disciplines and, consequently, the problems are sufficiently different to argue convincingly for continued separate bargaining. There would be no sense in allowing the special difficulties of one group to infect an enormous joint bargaining group like the one in Quebec and force it into a devastatingly large strike or lockout involving all.

B.C. has had trade-by-trade bargaining for many years. It has had experience with occasional attempts to develop multi-trade bargaining. The unions and contractors are well aware of the danger in trying to do too little or too much to rationalize collective bargaining in an industry where there are so many unions, each of them representing a single, well-defined craft.

While the Bargaining Council of B.C. Building Trade Unions is the most sophisticated advance in joint multi-union contract bargaining on the continent, it's as far as anybody wants to go, including the B.C. Labour Relations Board, which was the prime mover in bringing those Caffibies and Cubbies together during those 10 days in March.

The joint council will have a five-year trial period. Theoretically, it could be disbanded after that time. But nobody believes that will happen. The structures may be modified in light of further experience. But there's every evidence that neither the unions nor the contractors (represented by the Construction Labour Relations Association) want to go back to the old days of fragmented bargaining. That's why the chances for success are considered very good indeed. [g]

John Clarke

Adelaide international conference

The government of South Australia stands firmly committed to the promotion of industrial democracy. This was made clear at the international conference on industrial democracy which drew 76 speakers and hundreds of participants to Adelaide, May 29 - June 2. And if a consensus emerged from their examination of systems in Norway, Sweden, West Germany, Britain, Yugoslavia and Australia, it is that there is no one route applicable to every country.

They were told by Roger Blanpain, a professor of law at the University of Louvain in Belgium, that "employee participation" is a fundamental objective of the European Economic Community.

If a consensus emerged, it is that there is no one route applicable to every country

However, while "participation from supervisory-board level to shop floor is necessary, diversity due to different national systems will be present in Europe for a long time."

Whatever system is appropriate for South Australia, the concept of industrial democracy will continue to draw strong support from the state's labour government. Premier D.A. Dunston reiterated this in his welcoming address to the participants. His government sponsored the conference in order to give South Australian academic, business and labour leaders, as well as government officials, an opportunity to learn about developments in industrial democracy in other countries and to debate them with their counterparts from those countries.

They learned that the roots of industrial democracy in Norway lie deep in the country's 20th-Century history. Dr. Oyvind Skard, director of the Norwegian Employers' Federation and chairman of the Norwegian Institute for Adult Education, said the existing system grew out of basic agreements between major union and employer groups established as early as 1935.

Skard said the legal initiatives that encouraged the refinements of industrial democracy in his country during the past two decades were inspired by a joint union-management committee. Laws to enable employee representatives on company boards introduced in the 1960s have been further developed in the current decade, he said. In one of the more significant recent legal developments, employees have obtained a right to experiment in different forms of work organization, he reported. Previously this had been a matter for negotiation. "The current industrial democracy implementation is centred on project groups," he added. "Various organizational interests are represented in these groups and they plan and guide their own programs of work environment change."

Stig Gustafsson, legal council to TCO — the central organization of salaried employees in Sweden — described his country's far-reaching system, which embraces board representation, extension of bargaining rights and job enrichment. Legislation passed in 1974 gives unions the right to at least an equal voice in all aspects of corporate life, he said. "Whether the new experiment will succeed

or fail," he commented, "depends on whether workers and management can maintain the tradition of co-operation which has for decades helped Sweden maintain a high degree of industrial peace and prosperity."

The Australian system will likely continue to consist of modifications of forms developed in Europe

The participants heard both employer and union views of the West German system which embraces workplace, factory, enterprise and over-all economy levels. Presenting the union viewpoint, Dr. Bernd Otto, a member of the executive committee of the Central Co-op in Frankfurt, described the system as a "pragmatic approach to the need for more freedom and emancipation of the workers in the economic and social sector, combined with a redistribution of power." But Rolf Thüsing, director for social policy and co-determination with the German Employers' Federation, said the recent laws on co-determination at plant and company levels encourage conflict and thus disturb the "social climate." He argued, moreover, that they might be unconstitutional since they do not spell out clearly the rights of property as guaranteed by the constitution of the republic. He said he agrees that there is a need to increase "social awareness" among workers, but suggested that the laws shift the balance of power in industry toward unions and that this might interfere with the collective bargaining system. For all these reasons, he argued,

much more thought must be put into any changes in the area of industrial democracy.

Clive Jenkins, general secretary of the British Association of Scientific, Technical and Managerial Staffs, said industrial democracy in Britain is much farther advanced in the public than in the private sector. But whatever its state, "the struggle for the industrial franchise has begun and there is no turning back." Sir Leonard Neal, a director of Pilkington Brothers and adviser on industrial relations to several other private industrial and commercial companies, was critical of the Bullock Report proposals for worker directors, however. "The primary purpose of democracy is involvement in all phases of planning," Neal said. "Installation of 'representatives' in remote boardrooms will not foster the Maslovian aspirations of a new, independent and highly informed work force."

Residents of South Australia who would implement the Yugoslav form of works council self-management in their free enterprise state received this warning from Dr. Njadan Pasic, a professor of political science at Belgrade University and a member of the presidency of the Socialist Republic of Serbia: "Public ownership is an indispensable basis for self-management." He described Yugoslav self-management as not a "ready made" model but as an historical process in which state ownership was transformed into social ownership under direct control of worker organizations.

Philip Bentley, executive officer of the host government's Unit for Industrial Democracy, said the Australian system will likely continue to consist of modifications of forms developed in Europe. He found it most "unlikely that developments in North America and Japan will have much rele-

"The desire to support strong ideological or political positions appears to have impeded the collection of sound research data"

vance for the development of Australian forms of industrial democracy."

A suggestion that different forms of industrial democracy may be appropriate even within one country came from Gordon O'Brien, a research associate at South Australia's National Institute for Labour Studies. His review of research studies shows that the evidence of the relationship between participation, job satisfaction and productivity is not strong: "Many studies do show positive relationships but are difficult to interpret because of methodological weaknesses, contrary findings and the presence of multiple determinants." The desire to support "strong ideological or

political positions," he contended, appears to have impeded the collection of sound research data. He concluded: "Given this situation, it appears that no simple set of procedures can be recommended for implementing industrial democracy. Employees, unions and management need to investigate, in particular organizations, the form of decision making that is appropriate to that organization."

Tony Short, a teacher of company law at the South Australian Institute of Technology, who has undertaken research into industrial democracy in several countries, proposed this precondition for any successful program in Australia: The union movement "must debate and reach a consensus on the degree of involvement the unions want in corporate decision-making...State legislative intervention should come only after this process is completed." To Short, representation was only one of several options: "Of greater importance is the provision of, and access to, corporate information, and legislative intervention for the extension of collective bargaining to traditional areas of management prerogative."

And G.W. Ford, an associate professor in the department of behavioural sciences at the University of New South Wales, said educators have done little to prepare the work force for industrial democracy.

The conference also included examination of several case studies in Australia and other countries and papers on several other industrial democracy areas including the role of shop stewards, economic viability, profit-sharing, middle management, multinational corporations, women and industrial democracy, conciliation and arbitration. [9]

R.L.

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Examining paid educational leave

Earlier this year, federal Labour Minister John Munro announced the establishment of an Inquiry Commission on Educational Leave and Productivity (LG August 1978, p.337). Members of the Commission are Chairman Roy J. Adams, of the Personnel and Industrial Relations Committee, Faculty of Business Administration, McMaster University; Claude Ducharme of the United Auto Workers; and Patrick M. Draper, former chairman of the Ontario Labour Relations Board and former vice-president of Canron Ltd. Their terms of reference are basically to inquire into public awareness, interest in and commitment to leave for educational purposes, review current practices in Canada and elsewhere, receive briefs from concerned persons, and — by June 30, 1979 — make a cost-benefit assessment of educational leave and its impact upon productivity and employment.

To fulfill their mandate, commission members plan to receive briefs from interested parties and to hold hearings across Canada. To assist parties to prepare their submissions, the commission has prepared a discussion paper outlining the background of paid educational leave (PEL), examining methods of introducing such leave, and questioning who should be eligible and who should pay.

In addition, the paper lists a number of potential costs and benefits. Among the beneficial effects: increased productivity of the worker through training which occurs while he or she is on leave; and the likelihood of increased motivation as a result of the know-

ledge that advancement is more possible.

On the negative side, the paper suggests that if employers are required to bear the burden of financing new provisions, their ability to compete in international markets may be hampered; if educational leave is financed through government expenditures, taxes may have to be increased and taxpayers may be unwilling to accept the increase; and individual employers may be unwilling to introduce educational leave schemes for fear that employees who acquire new skills through such training will be attracted to other enterprises.

The June 1978 issue of *Solidarity* had this to say about the inquiry commission: "It's clear that Munro is on a collision course with organized labour on this matter." Referring to the cost-benefit assessment, the publication went on to say, "It's obvious that Munro sees PEL as some kind of vocational training designed to improve workers' job performance to serve the needs of industry..."

Early last May, government, labour, employers, academics and educators from across the country met for the second time in two years to study the implications of introducing paid educational leave in Canada. Delegates attending the three-day Vancouver conference sponsored by the Canadian Labour Congress, the Pacific Association for Continuing Education, and Simon Fraser University, developed a number of long- and short-term strategy proposals for the implementation of paid educational leave.

The last time representatives from the same interest groups met was November, 1977. At that time the Canadian Association of Adult Education (CAAE) sponsored a one-day workshop which had as its main theme, the implications of applying the PEL concept in Canada (LG February/March 1978, p.93). It was the first time government, labour, employers, academics and educators had gathered together to explore the significance and likely ramifications of Canada's ratifying the International Labour Organization's 1974 Convention on PEL.

ILO Convention 140 defines PEL as "leave granted to a worker for educational purposes for a specified period during working hours, with adequate financial entitlements." Countries ratifying the Convention are required to "formulate policies designed to promote the granting of paid educational leave for (a) training at any level, (b) general, social and civic education (c) trade union education."

To date the Convention has been ratified by at least nine countries — including the United Kingdom, The Federal Republic of Germany, The Netherlands, Cuba, and Guinea. Seven other countries have developed advanced systems of educational leave but do not meet all the ILO criteria required for ratification.

Canada is not yet on the list. But as a step in that direction, in June 1978, Labour Minister John Munro established the Inquiry Commission on Educational Leave and Productivity.

Gordon Wilson, UAW Director of Education for Canada, who took part in the May 1978 PEL conference, held at Simon Fraser University, countered the Munro approach by saying: "No one can legitimately take issue with the prospect of increasing the skills of our work force. But I can and will take exception to the notion that PEL for workers should only be implemented as long as it is related to vocational training. Wilson also said that unions must use PEL as a vehicle to further the resolve and purpose of workers. He explained that the UAW's PEL program intends to reinforce the notion that workers' organizations are the most valuable structures available to assist the worker in his or her day-to-day existence within society, and we intend to reinforce that worker's pride in being a member of a trade union."

Doug Stead, Manager of Manpower Training and Technical Services, Canada Employment and Immigration, agreed with Wilson that PEL should not simply take the form of vocational training. "One implication of a policy on PEL," said Stead, "will be the realization that occupational education should transcend vocational training and requires the encouragement of greater versatility among members of the work force through participation in programs offering broad general educational experience."

In the keynote address to the conference members Munro reaffirmed his support in principle for educational leave, and said he was "encouraged by the fact that governments are supporting it in a significant way — for their senior people at least. And trade unions are making gains in establishing leave programs — for training their own officers at least. I'm concerned, however, that where educational leave is available, it is on a restricted basis..."

Also concerned about those unable to take advantage of educational leave, is Larry Wagg, National Director of Education for the Canadian Labour Congress. "Paid educational leave," he said, "obviously can help financially, but it won't overcome, for example, the barriers faced by those in the work force who move around as in the construction industry; for women or single-parent families; it will not provide day-care centres to enable people in that position to take courses."


***Paid educational leave...
"should transcend vocational training and requires the encouragement of greater versatility among members of the work force through participation in programs offering broad educational experience"***

We still have not found the solution for the shift worker, particularly in industries that are on a seven-day operation." Wagg went on to say that while paid educational leave would not solve all the education problems in the trade union movement, it would take the weight off the shoulders of the education departments of the administrators of labour education programs. In addition, he explained to the participants, "What we are trying to do is to look to the future to build upon the tradition already established wherein the Canadian Labour Congress Education Department plays the role of co-ordinating education programs through the affiliated unions of the Congress, from there to build a system that will help to motivate our people to move from step one to step two."

Alan M. Thomas, president of the Canadian Association for Adult Education questioned whether or

not adults who are tired of paying more and more money for others' education will be willing to pay more of the same for their own education. At the same time, he said, "Adult education has become the largest enterprise in this society, and the range and variety of such participation is already so great that a new precision is needed for commenting on any particular example of it." He suggested we need to think out the way in which existing educational agencies in Canada can best meet the needs of those involved.

Thomas also believes all parties involved in education and training should be involved in the formation and application of the promotion of PEL. "To overlook or deny the need for participation of the individual concerned at every stage will doom the scheme from the beginning and produce results which are already showing in Europe where such programs appear to be further advanced."

Gordon Wilson concluded his address on a positive note. "There is no doubt in my mind that paid educational leave will ultimately fulfill a variety of needs, trade union education, general, social and civic education as well as vocational education," he said. "We have a long way to travel from our present position. When paid educational leave for workers becomes a reality, government, labour, business and institutes of learning will have before them the massive challenge of establishing co-operation, the end result of which would be to increase the level of understanding of all our citizens, particularly the disadvantaged, and to establish a level of tolerance toward others, which I believe will endure." 

June Coxon

Paid educational leave in Europe and its implications for Canada

For more than a decade international organizations such as the ILO, UNESCO, and the OECD, have evinced great interest in the broad concept of "recurrent or continuing education." From numerous conferences and discussions on this topic a general consensus has emerged about the growing need for more varied continuing educational opportunities for people at all stages of life, to enable the young to bridge the transition between school and employment and to help those already employed to adapt to economic, technological and social changes. Proponents of recurrent education argue that in the long run it is economically efficient, equitable and humanly satisfying.

Many industrialized countries have recognized the need for continuing (recurrent) education and have provided various educational and training programs. The main problem seems to be that working adults can only take advantage of such educational opportunities during their leisure time. For many, the monotony and fatigue of working conditions saps the energy needed for enrollment in educational programs outside working hours. The alternative is that workers be allowed to further their education during working hours.

Now, as a result of initiatives taken largely by the ILO, the availability of educational opportunities to adults during their working life through "paid educational leave" or PEL has become a distinct possibility.

In 1974 at its 59th session and after much discussion, the ILO adopted a Convention and a Rec-

ommendation on paid educational leave. The Convention describes PEL as "leave granted to a worker for educational purposes for a specified period during working hours, with adequate financial entitlements," and urges ILO members to formulate policies designed to promote the granting of paid educational leave for the purpose of training at any level; general, social and civic education; and trade union education.

The most significant concepts included in the ILO Recommendation are that:

- workers should have the right to take leave of absence for educational purposes during their normal working time;
- workers should be able to return to their jobs upon the completion of their education without loss of income or other benefits, such as seniority, pension, and so on;
- workers should have the freedom to decide in which educational and training programs they wish to participate, whether it be vocational training or general education.

In Europe, since the end of the Second World War, educational leave has been discussed in the context of other related fields such as adult education, recurrent education, vocational training, youth education, and so on. Therefore, paid educational leave has different connotations in different countries. A cursory look at various national laws and regulations in Western European countries reveals that the current legislation and practices regarding study leave in each country reflect

a compromise reached among the main parties involved, i.e., the government, the trade unions and the employers' associations. They also reflect the socio-political aims pursued by each party with regard to this question.

Only in recent years have Canadians shown an interest in discussing paid educational leave. The Canadian Labour Congress at its 1976 convention adopted a policy statement urging all its affiliates to make educational leave a priority in collective bargaining. The federal government has officially endorsed the concept of PEL as defined by the ILO Convention and the Canadian Labour Congress policy statement.

The initiative for educational leave in most Western European countries has come from the trade union movement. Trade unions have had a great deal of success in negotiating some form of educational leave at the bargaining table. For example, in France, major French unions and employers' groups signed an International Interoccupational Agreement on July 9, 1970. This agreement acknowledged a worker's right to educational leave and the employer's obligation to maintain his salary during the period of training. In 1969, in the Federal Republic of Germany, 118 collective agreements concerning 2.6 million workers contained provisions for some form of paid or unpaid educational leave. In Italy, unions have negotiated collective agreements in recent years which allow a maximum of 150 hours of paid educational leave.

Legislation on educational leave in various European countries has

been adopted only after the social partners have had a chance to express their views on the subject. In presenting the final proposals for enactment, the governments have usually tried to find a middle ground between the positions taken by the unions and the employers. In some instances, the government modelled the legislation on contractual agreements that had already been signed by the social partners. For example, the French law of July 16, 1971 gave mandatory effect to the National Interoccupational Agreement on Training dated July 9, 1970. The 1973 Belgian law on "Credit Hours" was presented to the Parliament only after a great deal of debate and discussion among the interested parties.

Private conventions and agreements between employers and trade unions play an important part in the implementation of legislation in France, Sweden and Belgium. There is every likelihood that in France the law on paid educational leave will be strengthened.

It is evident from the European experience that the ILO concept of PEL is not implemented in its totality. One of the reasons is that the right to paid educational leave cannot be regarded as absolute. It must be considered within a given institutional (labour-management relations), political, legal and socio-economic framework. The costs involved in implementing paid educational leave provisions must also be weighed against competing social demands particularly in an inflationary environment. Given the limited resources, most governments assign priority to vocationally-oriented training which enables the workers to be more flexible and adaptable in the face of economic changes. At present, general and social educa-

tion is given a somewhat lower priority. Trade union education is likely to increase in importance when unions gain a greater foothold in major industries in the private sector and the Western European style of "worker participation" becomes widespread and accepted throughout the industrial world. In addition to the various educational programs, we need to consider the priorities in terms of groups such as workers in small enterprises, the young unemployed, who have never had a job, and housewives entering the labour market. In Canada, paid educational leave is limited to a large extent to job-related training. Should paid educational leave in Canada be extended to non-vocational courses? Should it be promoted through collective bargaining, legislation or other mechanisms? The European experience indicates that the initiatives for PEL in most cases has come from the labour movement.

In several European countries (France, Italy, Germany), trade unions have successfully negotiated some form of educational leave at the bargaining table. In some instances government gave legal sanctions to the contractual agreements that had already been signed by the social partners. The best known case of paid educational leave in Canada is a clause in the collective agreement between the United Auto Workers and Rockwell International. It provides the establishment of a fund for trade union education. Legislation in the Canadian context should be considered only after such clauses have become common and the social partners have had a chance to debate the issues concerning PEL openly. Meanwhile, various Canadian governments could assist in promoting educational leave poli-

cies, by disseminating information on all facets of workers' education, by co-ordinating the activities of various governmental and non-governmental organizations involved in various types of educational and training programs, and by encouraging employers and unions to devote more funds to training and educational programs.

In Canada as in France, a large proportion of business and industrial firms are small-scale enterprises. Governments could assist employers in these establishments in implementing policies pertaining to educational leave by establishing industrial training boards and providing necessary funds. For unemployed youth, apprenticeship training courses along the lines of day-release courses in the United Kingdom could be very helpful.

Governments could support or sponsor courses in the field of general and social education. Such courses could be taught through the CBC or educational TV.

We also learn from European experience, particularly that of France and Belgium, that even though individual workers have a right to PEL, few workers take advantage of it. This means that social patterns and policy-makers must pay special attention to problems of motivation and methods of instruction in order to come to grips with the problems faced by unskilled, semi-skilled and other less advantaged groups of workers in the labour market and the surrounding social milieu. In the final analysis it is the social partners who must work together to reach agreement on the goals and processes of paid educational leave. [9]

Hem C. Jain

Mental health programs in industry and the public service

by Bill Megalli

Canadian employers are experimenting with various means of promoting the mental health of their employees, thereby also promoting the efficiency of their organizations. Some have hired in-house psychologists, while others maintain staff counselling services or enlist the aid of community organizations. The government meanwhile is expanding its Employee Assistance Programs (EAP).

Employee mental health is also a growing concern for organized labour. The Canadian Labour Congress (CLC) already has some 1,000 union counsellors plugged in at various localities and is developing its own national perspective on the issue.

While the method and objectives of each approach vary widely, the basic assumption is that nobody is immune from the stresses and strains of daily life and that, increasingly, the average employee must adapt to new and more complex situations — something he or she cannot accomplish entirely on their own.

"We had a sudden rash of people coming from certain departments when computers were first introduced, and the same thing happened during work on a nuclear plant at Douglas Point which involved totally new problems," noted Caron Jones, staff psychologist at Ontario Hydro. His firm probably has longer experience in this field than any other Canadian company, and Jones has been in charge since the position of

psychologist was created in the medical services department in 1955.

Ontario Hydro's pioneering role is matched in the public service by the EAP program undertaken since 1962 by the federal Employment and Immigration Department. Mrs. Margaret Fearn, who recently retired after many years as chief of the counselling services division, reported similar findings: there has been a steady increase in the number of troubled employees over the past few years not only because of circumstances related to work but also because of new and fast-paced changes in society as a whole.

The sensitivity of the subject accounts for the absence of clear statistics and studies...

Only a few companies, such as Bell Canada and Alcan Aluminum Ltd., are known to maintain in-house psychologists. Others, like the CBC, have staff counselling services. Dofasco in Hamilton has a very active social works program under Deborah Cassidy.

It is difficult, however, to speak in terms of numbers and statistics because many companies — owing to delicate considerations which may be quite legitimate — consider the subject off limits to open debate. Ontario Hydro's service remained unpublicized for ten years, spreading only by referrals from supervisors and personnel, and gaining credibility

through the word-of-mouth testimony of satisfied clients.

Strict confidentiality is also essential if use of the service is to be encouraged, because our society still attaches a stigma to most nervous, psychological and emotional disorders. It is better to suffer unexplainable headaches, high blood pressure or even a heart attack than admit to anxiety, depression neurosis, or psychosis. That the human brain and nervous system resort to these socially acceptable backdoors to overcome conflicts and personal problems is no longer disputed.

The sensitivity of the subject accounts for the absence of clear statistics and studies, even though the idea of having in-house psychologists and social workers dates back to World War I and has been applied in many American companies. Until recently Canadian firms had not shown much interest, but dozens are now making inquiries and probing various approaches, according to the Toronto-based Mental Health Association, which is pioneering an early-detection plan of its own.

These companies are not motivated by any desire to double as social service agencies but are thinking of such negative economic considerations as absenteeism, poor work performance and early medical retirement. Absenteeism, for example, costs the Canadian economy several billion dollars each year and can have crippling consequences at the individual plant level.

Probably no subject is broader and more vulnerable to myths than mental health and it therefore must be handled very carefully. The first question that a company should ask itself is the level at which it wants to intervene. At one end of the scale only cases that reach serious proportions are dealt with, while losses incurred through poor work performance of employees with less obvious irritations are accepted. At the other end of the scale, a company can launch preventive de-stress programs designed to make every employee give the most he can at the least wear and tear to himself. Such programs have been implemented in several American companies but have yet to make their debut in Canada.

There are widely differing views as to the number of people who can be regarded as troubled and the point at which seeking help is advisable. Every one is vulnerable to stresses and emotional ebbs and some people intuitively transform these into sparks of motivation and develop their own methods of coping with stress. Most people are not so lucky, however. Even the few who are can be more vulnerable to total breakdown and their need for sophisticated professional help can be more desperate.

The scope that can be covered by launching some form of counselling service is very wide. It extends to such areas as career counselling, pre-retirement courses and scores of other services not covered by traditional channels. "In many cases, all the employee needs is someone to talk to, someone to help put things in perspective," noted J. Trainor, co-ordinator

...on a pure cost-benefit basis early detection and treatment is far better than training a replacement, particularly at the highly specialized level

of counselling services at the Canadian Broadcasting Corporation (CBC). Many problems appear insoluble under certain conditions but turn out to be surmountable after all. The CBC started its counselling service five years ago because of a perceived need in the face of a fast changing society and technology. "It was simply a case of an enlightened corporation deciding to do something about what was happening rather than ignore it," Trainor said, noting that on a pure cost-benefit basis early detection and treatment is far better than training a replacement, particularly at the highly specialized level.

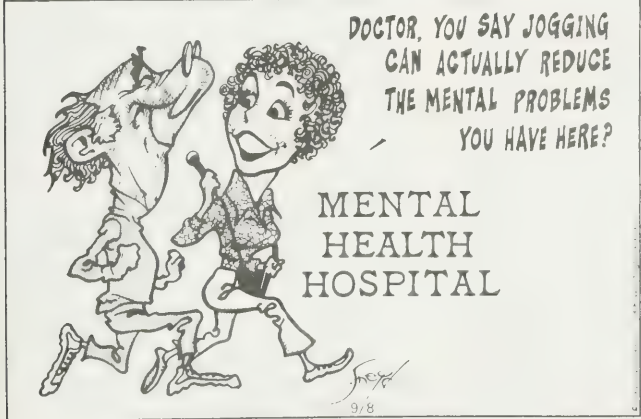
In addition to counselling troubled employees, and where necessary referring them to outside treatment facilities, the CBC last year started a pre-retirement program and helps in many other areas, including career counselling.

Even if the programs are confined to preventive mental health proper, there is more than enough justification. Companies and unions are becoming more aware that they have a vital and inescapable responsibility in this area.

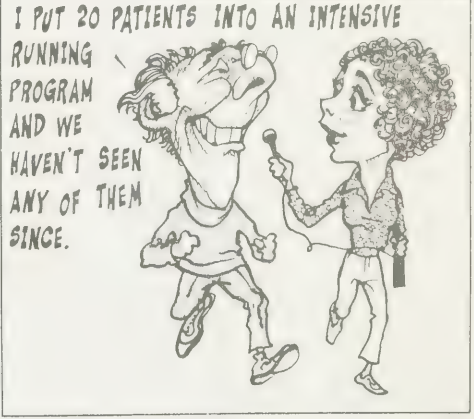
Dr. Roy Menninger, president of the Menninger Foundation and member of the U.S. President's Commission on Mental Health, stated in a recent interview with *U.S. News & World Report*: "Between 10 and 15 per cent of the population have serious mental illness today. If you add those who are adversely affected from time to time by what I term 'problems of living' then as much as 70 per cent of the population could be included. In other words, most of us." He also estimated that 80 per cent of the complaints people take to their doctors — colds, upset stomach, back pains, loss of appetite, insomnia, fatigue — are not physical ills so much as psychosomatic reactions to the problems of living.

SCOOPS

by Doug Sneyd



DEFINITELY!



Statistics Canada reports that there were 129,397 admissions to mental hospitals in 1977, an increase of 2 per cent over 1976 and 41 per cent since 1968. The Mental Health Association meanwhile states that "a very large number of employees, some estimate as high as one in six, are troubled persons whose problems could seriously interfere with their work."

"...a very large number of employees, some estimate as high as one in six, are troubled persons whose problems could seriously interfere with their work"

The 1974 Canadian government's working paper, "A New Perspective on the Health of Canadians," spoke candidly about dimensions of the problem and stressed that "programs of prevention directed at large population groups are desperately needed." The document declared: "Statistics on mental illness are grossly inadequate because of the shame and fear attached to these disorders, which prevent people from seeking treatment....Moreover, the severity of mental illness as described in the statistics is biased by the frequent psychiatric practice of minimizing the diagnosis in the case of young people....Mental disorders, such as anxiety, are a factor in 50 per cent of the patients seen in general medical practice. At any moment three out of 1,000 Canadians are hospitalized in psychiatric facilities."

It was on the basis of this report that the federal "life-styling" program was started. The drive is being engineered by Skip Brooks whose father, a well-known and highly respected labour union leader, was assassinated by a destitute worker. "If that man had

received attention and assistance, my father might still be alive today," Brooks said. Despite the tragedy, he is a firm advocate of inter-dependence and collective commitment as well as personal responsibility in resolving spiralling social ailments — the same concepts once so enthusiastically championed by his father. Because the individual exerts little control over his geographic and occupational environment, Brooks stresses that the employer has a particular social responsibility to his employees.

Brooks is also a firm believer in the unity of mind and body. "Dealing with mental fitness within the framework of improving the quality of life is the toughest job of all. But if we start by selling the idea of physical fitness, we have a foot in the door," he said. "The government can only go so far in prevention. This is a responsibility for all: employers, unions, associations, everybody," he added.

Peter Lawless, mental health program consultant at Health and Welfare Canada, believes a very active campaign is needed to convince Canadian companies of the need for a mental health policy. "This is a hard thing to sell. There is very little doubt that mental friction results in downtime or slowtime, but employers need a baseline backed by figures," he said, "and this is not helped much by exaggerated estimates of potentially ill target groups" — or by the obscure jargon used by many mental health program consultants. Nonetheless there are more and more alarming signs. Suicide — in essence an extreme inability to cope with life — is now among the leading causes of death and is the second leading cause for teenagers in Ontario and possibly all of Canada.

Health and Welfare recently

announced a demonstration grant to place experienced social work counsellors in two industrial settings — the Manitoba Telephone System in Winnipeg and the United Steel Workers of America Union Hall in Thompson. The project will explore the effects of offering an accessible, confidential, preventive counselling service to employees with personal problems. The federal government is also involved in various other research projects, information and co-ordination, and in hosting mental health conferences.

In efforts currently underway there is a striking resemblance between the employers' approach to mental health and their approach to alcoholism: referrals are made by supervisors on the basis of poor work performance and the employee is subsequently induced to undergo treatment.

The federal employment and immigration department's EAP program, for example, was devoted originally to alcoholism, "then it developed greater emphasis on emotional stress and job dissatisfaction" to the extent of adding a clinical psychologist to its staff in 1975, according to Gerald Lefebvre, acting chief of counselling services.

Lindsay Roy, head of the Treasury Board's programs and standards division, occupational health and safety group, notes that a new EAP directive issued in October 1977 allows each department considerable flexibility in tailoring the program to its needs.

"This is not a witch hunt but an attempt to delineate as early as possible people who may have problems, on the basis of a work performance which is consistently below par," said Roy. He stressed that the workplace is the best place to discover aberrations and

get at the problem earlier. Unions were actively involved in drawing up the new policy directive and insisted on very specific wording in some clauses, Roy added.

Enlisting union co-operation is of paramount importance. "We insist on a tripartite union-management-association committee or we won't come in," said John Wayling, co-ordinator of the Mental Health Association's HELP program.

The program is undertaken on a non-profit basis by the Association, which is a United Way agency, in collaboration with the Family Service Association. Counsellors are available at the workplace on a 24-hour basis, with the tripartite committee providing close supervision and follow-up.

"The service is used heavily, and we are interested mainly in prevention, in solving the problem before it gets worse. There are facilities but troubled employees cannot be reached without some connection at the workplace," Wayling said. It is worth noting one project through which the Association reached a considerable number of troubled persons using a most unusual method: training bartenders and hair-dressers to spot cases requiring help and suggest to them means of getting such help.

At present project HELP is being implemented in the Toronto Transport Commission, Warren Lambert Canada Ltd., Molson Brewery Ontario Ltd. and the Toronto Board of Education. "We are getting a lot of inquiries from insurance, oil and other companies, but it takes time for a decision to be reached after the initial approach is made," Wayling noted, adding: "Companies do not see themselves as social service agencies. More and more they see this within the framework of cost saving."

...a very active campaign is needed to convince Canadian companies of the need for a mental health policy

Implementing the program costs between \$10 and \$30 per employee per year. To some companies this is cheaper than hiring a full-time psychologist. Others believe that employees will avail themselves of the service more readily if the counsellor is not on the company's payroll.

But staff psychologists, too, have gained an impeccable reputation for confidentiality. "The employee is in the driver's seat. If the problem is related to work and he asks that management be contacted, then this is done. Otherwise my records are strictly confidential," Ontario Hydro's Jones said in speaking about the increasing number of self-referrals. Many of his visitors have worries related to the work environment, and a staff counsellor is better suited to deal with these because he knows how the company ticks.

Jones' office is appropriately located within Ontario Hydro's medical services department. The Mental Health Association advises companies not to use stigmatic names and to have as broad a frame of reference as possible for their counselling service.

The CLC fears that staff counselling could end up as a function of the personnel department, thus "giving the company more ammunition to unload an employee," said Peter Lea, assistant director of social community programs at the Congress. "We live in a very distrustful society," he added, "and who is more qualified from the trust point of view to handle counselling and referral than union people?"

Unions, as well as employers play an active role. An example is the Lifeline Foundation of the United Steel Workers of America in Toronto, which provides counselling and referral for a wide range of problems — from marital difficulties to legal aid — and works closely with existing community agencies.

Fine details of the CLC policy are still being worked out, but hundreds of prospective labour counsellors are already receiving some training. The longer-term objective is to negotiate, via collective bargaining, better protection for employees who may require treatment for mental or emotional disturbances. The Congress intends to place at least one union counsellor in each of its 9,000 locals, according to Lea. It is also reportedly negotiating an arrangement by which it would work hand-in-glove with United Way agencies in this field.

Union publications in the United States abound with examples of substantial union action in the field of social work. These publications disseminate views on topics such as "Human Contact in the Workplace" by Leo Perlis, long-time director of community services for the AFL-CIO. Perlis was founder of the CARE organization and has received international recognition and awards for his work in developing the participation of organized labour in social welfare activities.

The new Treasury Board EAP directive may help — in the medium term — to fill the statistical gap found whenever one tries to assess the need for mental health programs at the workplace. The directive, which is being adopted by an increasing number of departments, stresses the need for keeping records and undertaking periodic assessments —

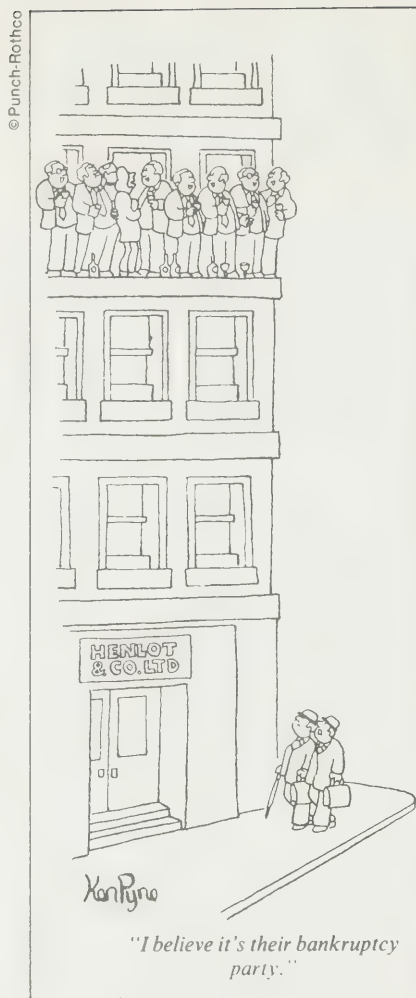
without in any way compromising individual confidentiality. Several departments have already added full-time co-ordinators and a few have psychologists — two of them with the Treasury Board itself — while provincial government departments usually have access to a psychiatrist.

At present most companies do not keep records or do not publicize them. This is telling in itself. Even the stigmatic subject of alcoholism is not treated with such secretiveness.

As mentioned earlier, de-stress programs are having a hard time getting established in Canada, even though one of the world's foremost authorities on stress, Dr. Hans Selye, lives in Montreal.

Adam and Edita Kowalski, working with the encouragement of Dr. Selye, are in the process of transforming his medical findings on stress into a management technique. The Kowalskis — Toronto consultants with an impressive background of stress knowledge and studies enhanced by educational and communication abilities — have published a series of articles on managing stress and are about to launch a Canadian Stress Institute to engineer de-stress programs for companies. "Not a single Canadian company is known to have stress management courses similar to those given to executives in several American companies," note the Kowalskis.

Canada's *Mental Health*, the quarterly issued by Health and Welfare, reported in a recent issue that Rhode Island has become the ninth American State to rule that an employee is entitled to workmen's compensation benefits if it can be demonstrated that the demands of the job result in mental stress. The publication



added: "The ruling is a significant one, given the amount of interest in 'stress' as a major mental health problem. Of further interest is the clarity of the decision, as con-

...there is a striking resemblance between the employers' approach to mental health and their approach to alcoholism

trasted with the vagueness in the guidelines surrounding compensation for mentally disordered workers in most provinces in Canada."

The Kowalskis emphasize that managing stress is a fine art that can permeate the entire company setting, right down to wall colour and lighting. "It can double, even triple, production," asserts Adam. Many companies now fight fires on an individual basis — alcoholism, absenteeism, low productivity. Often they get discouraged by the results and discontinue. But an expert firefighter digs a trench around the whole area, not around every individual tree," he said. "What we are trying to do is help companies develop programs — a wide, wholistic approach — on a reasonable and realistic level. Stress is not bad in itself, but mismanagement of stress is," Adam continued.

Some employees, meanwhile, are not waiting for a company decision. Visitors to the CBC radio program, "As it Happens," are surprised to see, right in the middle of the office, a sandbag which has apparently taken a lot of beatings. Caricatures of "the boss" are scratched on the sandbag and — as deadlines approach every day and international telephone calls get worse — frustrations are pounded away as they come.

The sandbag idea just cropped up at a staff meeting one morning and was immediately put into effect. Does it help? "It is better than beating your wife," replied George Jamieson of "As it Happens." In Japan some companies provide rooms where breaking glass is the favourite method of dispelling stress.

The important thing to remember is that having a mental fitness program is in itself a great buffer — something like the security one often feels immediately upon entering a doctor's office. The feedback is terrific, and the typical employee reaction is: "It's good to know someone cares about us." [9]

Redefining the foreman's role

by Huntly Duff

High turnover, absenteeism and low productivity are expensive manifestations of an employer's inability to adapt his organization to changes in society. Any attempt to improve the situation will flounder if the man on the firing line, the foreman, is not involved.

Many ambitious attempts have been made at redefining the foreman's role in order to improve the work environment. Those that have succeeded have been grounded in a thorough understanding of what foremen were actually doing and how and why they were doing it.

Why do employees do what their foreman asks them to do? What is the basis of his (or her) authority?

Careful observation of foremen at work often reveals rather mysterious behaviour. Although technology and local determinants play an important role, two general questions should be asked before attempting to redefine a foreman's role. Why do employees do what their foreman asks them to do? What is the basis of his (or her) authority? However, in addition, we must also understand the process of becoming a foreman. If we are to remake the foreman, we must understand how he learned his job and how he developed into what he is today.

If the foreman's presence is to have any effect on the organization, management must be sure that the men will carry out his

wishes. The men must feel that it is normal to do what the foreman tells them to do. The foreman's authority must be accepted.

The traditional source of authority derived from the foreman's legal right to hire and fire employees. Those who did not respect the foreman's authority were not tolerated within the system. At the time, this was considered a normal state of affairs. Consequently, as long as the foreman could communicate his wishes to his employees sufficiently, his orders were carried out.

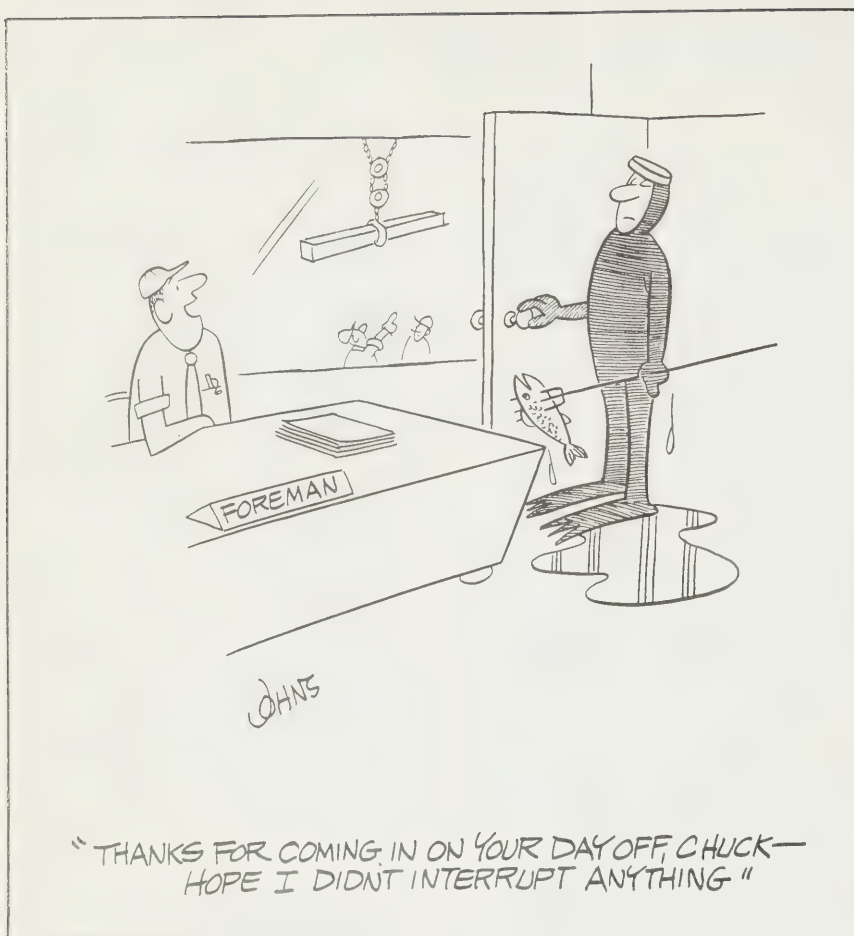
Technical competence is a second justification for accepting authority. The foreman is respected by his men because they recognize that he knows more about the work than they do. Recently, however, technical competence has been called into question as a reason for accepting authority. In order to maintain his authority, the "technical" foreman must always know more about the plant than his subordinates. Unfortunately, technological change has so increased the complexity of jobs, particularly in continuous process plants, that it is difficult for one man to keep abreast of all the changes in his plant. In addition, with increased automation, the operator requires a higher level of understanding of the process than in the past if he is to be efficient. Thus, with the great increase in knowledge and responsibility required of employees, it is often difficult for a foreman to know more about an employee's job than the employee himself. In many instances the modern fore-

man who can still rely on his technical competence for his authority is either over-trained for his job, or has under-trained his employees. Indeed, the foreman who must rely on his technical competence to maintain his employees' respect often keeps operating tricks and knowledge of the plant to himself so that he can occasionally, or perhaps regularly, help out his employees to remind them of his competence.

...the modern foreman who can still rely on his technical competence for his authority is either over-trained for his job, or has under-trained his employees

A third justification for authority is tied to personality. Leadership, charisma, the gift of the gab — all describe the source of legitimacy held by the foreman whose personality commands the respect of his men. In order to tap this source of power, efforts have been made in some plants to identify "natural leaders." Certain errors were made at the beginning of this process. Natural leaders must not be confused with "informal" leaders. From the earliest studies of work groups, it became clear that the informal leader embodied the "average" worker. Studies of pieceworkers showed that informal leaders usually produced exactly the average output of the group.

It was not surprising that when the "leader of the pack" was chosen as foreman he seemed to loose his devoted following. Notwithstand-



ing, some progress was made in finding and promoting foremen who could rely on their personality rather than their traditional authority or technical competence.

Where no clear competence has set a foreman above the men he commands, some companies have enriched the foreman's role. By assigning responsibilities previously held by his superiors and other departments, they have created an administrative function worthy of the employees' respect. However, where technical or administrative competence cannot be designed into the foreman's job, it can be argued that the foreman is not really needed. Under these circumstances the number of foremen should be

reduced, and the work redesigned to emphasize employee output rather than the supervision of employee activity.

...one of the forms of satisfaction traditionally ambitious workers have aspired to has been to have their turn at bossing people around...

Ordinary workers are becoming less and less willing to be bossed. Unfortunately, one of the forms of satisfaction traditionally ambitious workers have aspired to has been to have their turn at bossing people around as they rise through the ranks. If organizations are to maintain their legitimacy in

employees' eyes, this form of satisfaction must be designed out of the workplace. Employees must have good reason to respect their superiors' commands.

Clearly the jobs that foremen do and the way they do them must be changed in many established organizations. Two obvious ways of doing this are through the recruitment and training of new foremen and through the retraining of established foremen. However, adapting the foreman to today's workers and technology, through the use of appropriate recruitment and training requires a thorough understanding of the basic steps that a worker takes toward becoming a foreman.

To understand this process, it is useful to divide the individual's experience into four stages. In traditional role theory, these are known as: (1) the Anticipatory Stage, (2) the Formal Stage, (3) the Informal Stage, and (4) the Personal Stage.

First consider the *anticipatory* stage. Any employee who is a potential foreman learns about the foreman's role in three ways. He learns about how a foreman must behave from interacting with and watching his own and other foremen. He gets another picture of what foremen do and how they function from his work mates.

This may contradict what he sees, it may explain things that he has observed but was unable to understand, or it may confirm his own observations. A further source of information on the attitudes, values, knowledge and skills necessary to become a foreman is society at large. The people he meets outside the company, and impressions he gains from the mass media play an important role in forming his image of the foreman's role. Evidently the degree to

which this image agrees with the structures within which he must operate determines his success in adjusting to the new job.

The second stage is called the *formal* stage as the rules governing behaviour are written down in job descriptions and standard practices. These are the official rights and duties of his job. The fledgeling foreman learns these rules from his immediate superior and from his fellow foremen. At this stage he is rather unsure of himself and starts by attempting to conform as closely as possible to the formal rules.

The third or *informal* stage in the process of becoming a foreman involves the learning of unofficial or informal ways of doing things.

...becoming a foreman is not a one-step process. It begins before a foreman is chosen

This behaviour arises when the official way will not allow the foreman to accomplish his formal objective. It also results from situations which are not covered by the official rules. From his fellow foremen he learns how to navigate between the official rules and the complex realities of managing men and machines. From them he learns things such as the degree to which training is a foreman's responsibility, or how to apply the rules to men who require disciplining. As he learns the informal leeway that is permitted in his role, he begins to see the possibilities of reshaping the role to fit his personality. As he reshapes his performance to conform with his past experience and future objectives as well as the formal and informal definitions, he develops a personalized role. It is only when he has gained

the insight and confidence to impose his own personality on his role, that a foreman becomes truly effective.

The last stage in the process is the *personal* stage. As the foreman passes through the anticipatory, formal and informal stages, he develops his own expectations which he begins to discuss with others. He tries to sort out in his mind the contradictions that he has met in the various stages. In so doing, he develops his own version of what a foreman is. If he does not learn to reconcile these contradictions, he will be an unhappy, confused foreman.

As he gains a picture for himself of what a foreman should be, he begins to try to influence his superiors, other foremen and his employees to build an acceptable common definition of his job. In other words, he imposes his own style on his job.

Thus we see that becoming a foreman is not a one-step process. It begins before a foreman is chosen. It continues as we formally teach him the rules governing his behaviour. Where his formal training fails or contradicts the informal rules, he learns a new definition of his job from his fellow foremen and the men he works with. In the final stage, the new foreman adapts the various conflicting definitions of his role to his own personality and becomes a foreman.

An understanding of the nature of the foreman's authority and the stages of becoming a foreman is clearly important for effective recruitment, training and retraining. But how have the above theories been applied? First consider the question of recruitment. In several plants, elaborate recruitment procedures have been developed in an attempt to select

...explaining to candidates the reason for their rejection should not be neglected if management is to assure the acceptance of the new foreman's authority

foremen capable of coping with modern men and machinery. After carefully defining the kind of foreman needed to handle today's employees effectively, management asked plant psychologists or consulting firms to design a recruitment system to select the men who fitted their new criterion.

In addition to measuring the candidates' capacities to fulfill the formal role, management also looked at their preconceptions of the foreman's role (anticipatory stage) and at their personality and life designs which would predict how they would personalize their role as foremen.

These complex and thorough recruitment methods have contributed to the legitimacy of the newly chosen foreman. The batteries of tests and the series of interviews gave some assurance of the rationality and objectivity of his selection. Employees who failed the selection process but were well informed as to why they were not selected actually aided in raising the general respect for employees selected by this method. The important task of explaining to candidates the reasons for their rejection should not be neglected if management is to assure the acceptance of the new foreman's authority.

Next consider the process of training. Through training, we can adapt the new foreman to management's modern definition of the foreman's role. However, formal training will have little positive

effect on the organization if it is not designed to prepare the candidate for the *informal stage* of his development. In fact, it could be negative and, at its worst, even cruel and destructive. In certain instances, a promising candidate has had a thorough training in how management wants him to act. He has been placed with a group of poorly performing foremen in an attempt to gradually change the

Retraining is particularly ineffective if individuals are extracted from their group, retrained and returned to the same old environment

department through recruitment. In most cases he either conforms to the informal rules or is broken by his fellow foremen and the

workers. Unless the man is a fine leader, the more his informal training deviates from the situation, the more difficult will be his adoption of the foreman's role. The greater the disparities between the concepts learned in each stage, the greater his difficulties in resolving the contradictions and personalizing his role.

Finally, consider the question of retraining. In the light of the four stages of becoming a foreman, managers will realize why retraining of older foremen is so difficult. To the foreman who has already developed a personal interpretation of the contradictions in his role, one more contradiction will soon be assimilated into his existing view. Retraining is particularly ineffective if individuals are extracted from their group, retrained, and returned to the same old environment.

Ideally, the whole group should be retrained together, or receive the same training over a short period of time. Even then, if the environment is not changed, the forces which brought about the informal non-productive ways of working will remain.

Management is often blissfully ignorant of the nature of the foreman's job in their plant. By questioning the nature of a foreman's authority and by exploring the stages of becoming a foreman in their particular enterprise, efforts at changing the working environment are more likely to succeed. [g]

Huntly D. Duff is Labour Relations Superintendent at E.B. Eddy Forest Products Ltd., Hull, Quebec.



Paul Weiler and the B.C. Labour Relations Board

by John Clarke

The five years Paul Weiler, former Osgoode Hall law professor, recently completed as the first chairman of British Columbia's new-style Labour Relations Board were the best years of his life.

Before he left at the end of July for the cloistered halls of Harvard University, where he'll occupy the Mackenzie King chair of Canadian studies for a year, he said he was quite conscious of the fact that he would never again be engaged in anything he'll enjoy as much as his term at the B.C. board.

That's something coming from a man whose growing reputation as a keen legal mind could and likely will open up many new vistas for him, and who admits to an ambition to serve a term as a judge of the Supreme Court of Canada. It's not just that, as an eastern Canadian, he has just spent five years in the most salubrious part of the country or that he was able to take a short three-hour drive from Vancouver to go see the Seattle Seahawks of the National Football League play a game that gives him endless pleasure.

Indeed watching the Seahawks was something akin to his experience on the labour board. He has watched both develop from scratch — the football team as the newest franchise in the American league and the board as the newest, most radical experiment in the management of the labour-relations function in North America.

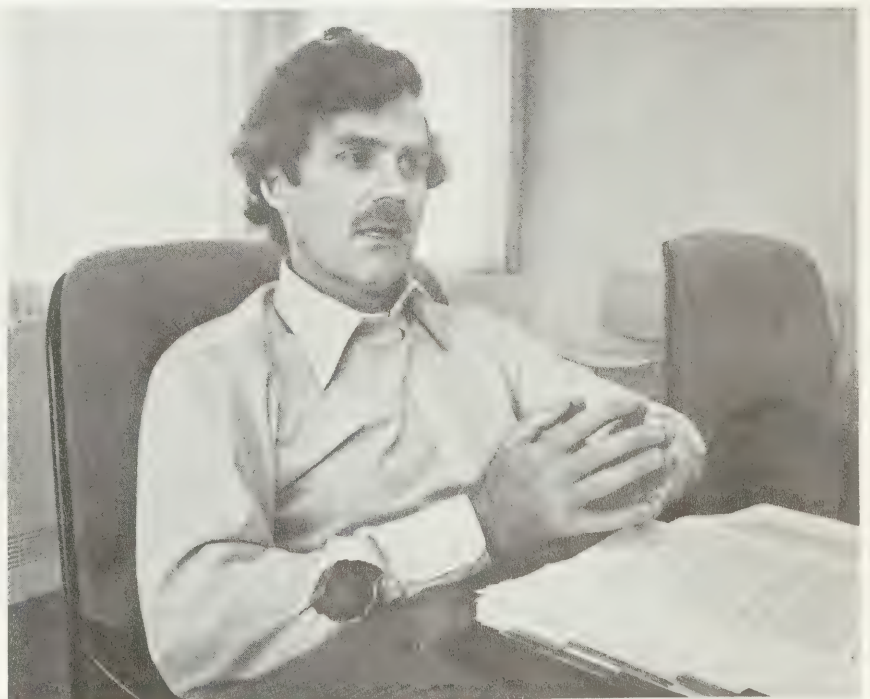
Both were, for him, the richest intellectual experience a man could wish.

What appeals to him about football over all other sports, including our beloved hockey, is its intellectual dimension. The pleasure comes in watching the game not just for the individual skills it involves but for the stimulation in divining the strategy worked out by the coaching staff and the success or failure of its execution by the players. Reading about the game in the newspapers, wondering why

a team would trade one player for another and what change in game philosophy that might represent is tremendously engrossing for him.

Of course, he watches other sports and plays golf and tennis for fun and fitness. But football is his real sporting stimulant, the 'high' that helps him best to relax from the pressures of his professional pursuits.

The appeal of his five years as chairman of the labour board went even deeper, for obvious reasons.



Weiler...best years of his life

"To be in on a process of building something from the ground up, to be one of the builders of concepts that haven't been tried anywhere else, that's an experience I wouldn't expect to have ever again, no matter what I do," he says. That's why he thinks he'll never enjoy anything as much again.

While he has never taught labour law — constitutional law and the criminal justice system being his primary legal avocations — he came by his interest in labour relations naturally. Many of his attitudes and perceptions were forged in debate and argument around the family dinner table in Thunder Bay, Ont. His father, Bernie Weiler, is, by Paul's own description, a hard-nosed management lawyer. His brother, Joe, teaches labour law at the University of British Columbia, and another brother, Bob, practices labour law in Toronto.

His father, according to Paul, would make management lawyers of the current era look like milque-toast and he still practises. But, in the shaping of his son, Bernie had to contend with the likes of Bora Laskin, the current Chief Justice of the Supreme Court of Canada, and Harry Arthurs, famed labour lawyers of the Lakehead area before it became Thunder Bay.

And there was Archibald Cox, the Watergate prosecutor before Leon Jaworski. Mr. Cox was a well-known labour lawyer before becoming an expert in constitutional law. He was one of Paul Weiler's teachers at Harvard.

So while his main interests were elsewhere, Paul took to labour law for, in his own words, "fun and profit, never for teaching." He has had plenty of opportunity. He did some research for the Rand royal commission and was the author of a study of labour arbitration and

collective bargaining in industrial change for the later Woods task force.

He was one of the consultants to whom the New Democratic Party government of former premier Dave Barrett turned in 1972 when it was designing its new Labour Code. It was largely under Weiler's influence that the labour relations board became the centrepiece of that legislation.

"...to be one of the builders of concepts that haven't been tried anywhere else, that's an experience I wouldn't expect to have ever again, no matter what I do"

The code took the power to issue injunctions in labour disputes away from the courts, which didn't want that job anyway, and transferred it essentially to the board. The board can issue cease-and-desist orders, which are the labour relations equivalent of injunctions. And although it has no legal power to enforce them — through threat of penalty, for instance — it can register them with the Supreme Court, which would then have the responsibility of enforcing them.

That single measure has taken a lot of the steam out of the industrial scene in B.C. The bitterness and distrust that marked labour-management relations in the province were exacerbated by the unions' perception of the courts as the allies of business. Injunctions were often defied and some union officials have prison records as a result. That bitterness transferred itself to the bargaining table which was more often than not the scene of confrontation rather than negotiation.

Weiler, of course, was not the

originator of the idea of removing the courts from labour relations. But it was he who, primarily, designed the system by which the courts could be removed and who laid out the framework for a board in which the functions of administration, adjudication and mediation could be smoothly intermeshed. Having done all that, it was only natural for the NDP government to give Weiler the first crack at chairing his board. And that came about because Mrs. Weiler had twins.

He had a sabbatical coming from Osgoode Hall and was set to go to the south of France where he intended to write a book on Canadian constitutional law, when he wasn't sunbathing. Instead Mrs. Weiler had her twins and the idea of coping with new-born twins and their other two children didn't much appeal to her or to Paul either. So they decided to go to B.C. where her parents had moved in the 1960s.

That was in 1972, the year of the great hockey confrontation between Canada and Russia. He was driving across the Prairies, desperately trying to get to a television set in Calgary to see the first game when he heard a radio news flash that the NDP had won a surprising election victory in B.C.

He knew Jim Matkin, a professor at the University of B.C. who subsequently became deputy labour minister for the new government. That association led to his being consulted about the design and framework for a new labour relations board.

A few months later, while he was studying and writing at Oxford University in England, he received a long-distance telephone call from Bill King, the NDP's labour minister, telling him that since the government was prepared to go

his route on the new board, it was fitting that he should run it.

He didn't have to ponder long about accepting the post and entered upon what he now says has been the most enjoyable experience of his life.

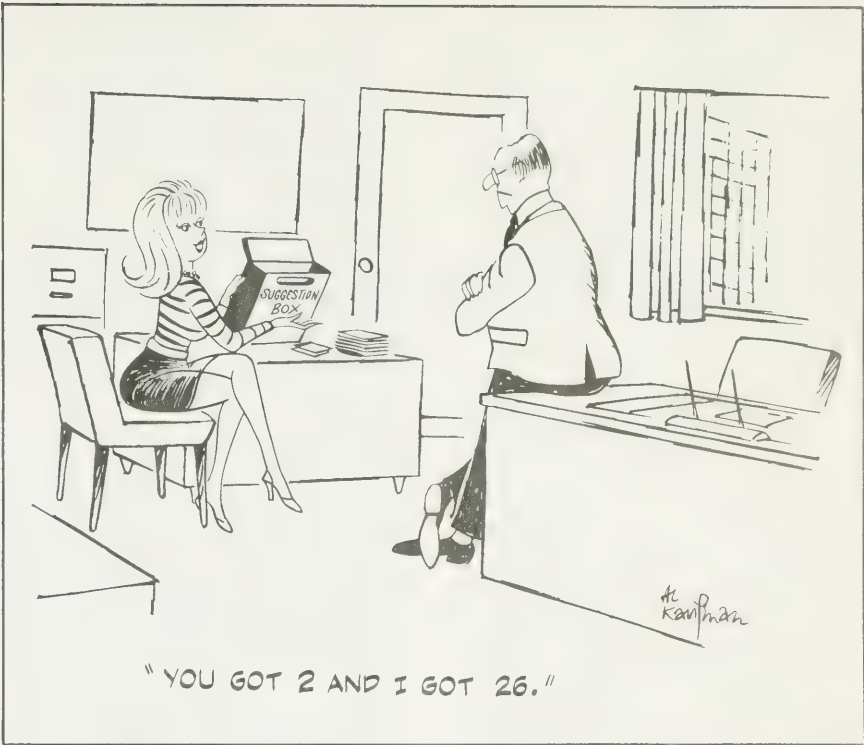
This may seem an odd thing coming from a man still a year away from 40 when life is supposed to begin. But the past five years have been a very revealing experience for British Columbia as well as for him personally.

"When we arrived on the scene," he says, "B.C. labour relations were chaotic. B.C. had the worst record of any place in the civilized world in terms of man-days lost before and since. The relationships were tremendously bitter. There was defiance of the law, RCMP raids on union offices, people killed on the picket line.

"We tend to forget how long a distance we've travelled in so short a time. We now have a system of law, a tribunal accepted by both sides, confidence in the labour laws administered by that tribunal. We have a high degree of consensus among the 21 members on the board. Nobody is going to jail any more; there is very little defiance of the board's orders.

"The top leaders in industry and labour have developed a lot of respect for each other — in the forest industry, construction, the public service, for instance. The confrontationist attitudes on both sides used to make it virtually impossible to bridge the gaps of distrust. We have seen an end to all that."

Board members and union and business leaders are on a first-name basis, often have breakfast or luncheon meetings together and



have developed "good, lasting, friendly relationships."

Much of the credit Weiler gives to King. When the NDP took over, the trade unions, which had felt the employers had had a long innings under the Socreds of former premier W.A.C. Bennett, thought it was going to be their turn. But King said no.

It was he...who laid out the framework for a board in which the functions of administration, adjudication and mediation could be smoothly intermeshed

He had, in Weiler's words, the vision to look down the road, see that there would be government changes and that he had to stop the swinging-pendulum syndrome there and then. He wanted to set up a system of labour law that would be fairly balanced and

would withstand the changes of time or government.

The new approaches he brought about were radical in Anglo-Canadian law, says Weiler. Almost all other ministers of labour caught up in the inevitable flak produced by such changes would have backed down, waffled here and there and generally watered them down. King put them through and that's why, in Weiler's view, he was the best labour minister Canada has ever had.

The proof of the enduring nature of his approach is that the new Social Credit government of Premier Bill Bennett that took over in 1975 has not tinkered with the broad concepts of King's law.

"The true revolution in B.C.," says Weiler, "comes from the development of a neutral, independent but still administrative mode of operation."

"It was previously thought that impartiality and neutrality required a court. What we have been able to demonstrate at the board is that you can have the advantages of neutrality, experience, expertise, informality, the anticipation of problems that you get from an administrative style of operation while retaining the virtues of independence you get from a judicial system."

The B.C. Labour Relations Board has three distinct advantages over the courts, he believes:

- While a court has no ongoing interest in or responsibility for a labour situation it has dealt with judicially, the board has. It experiences its mistakes. If it boops, it feels the consequences and often has to move to correct the situation. Its mistakes come back to haunt it and it learns from that experience.
- It has a much wider range of responsibility than a court. It adjudicates. But it also mediates and arbitrates. It investigates the situations confronting it, often on the spot. It can call labour and management officials in on the carpet and it can put off others who want the board to intervene. In other words, because it knows what's going on, it has flexible control.
- Because of these two factors, it can, says Weiler, do a qualitatively better job than the courts.

Why has B.C. become so progressive? Probably because its horren-

"The true revolution in B.C. comes from the development of a neutral, independent but still administrative mode of operation"

dous record in labour relations had reached the point where everybody was ready for something better. It had reached a watershed.

There's a dramatic appropriateness in all that has happened in B.C. where trade union politics are described by Weiler as truly byzantine, complex, convoluted. And the reason they are is that B.C. trade unions are tremendously democratic, in many respects, he says, excessively so.

"There are no organizations of any consequence in this country that even approach the trade unions in B.C. in terms of democracy, including government," he says. "Union leaders are regularly opposed and deposed. If members can't change union leaders, local units are able to try to change unions through a regular raiding process during which, at precisely regulated times, the members can call for decertification or recertification votes.


"The major virtue is that unions are accountable. This tends to generate considerable irresponsibility at times and hard-nosed, tough-minded union leadership.

"The reaction of the community is rather schizoid. On the one hand

the community sometimes criticizes union leaders as being dictatorial, arbitrary and undemocratic. On the other, it says: 'Why don't you resist the demands of your membership'."

In spite of all these difficulties, Weiler sees fundamental changes in attitude developing in B.C. There is a growing acceptance of the even-handedness of the labour laws. Because labour relations are now on a more even keel, it's easier for unions to be sure of approximately the dimensions of the ballpark within which they bargain. These two factors are helping to build mutual respect between the top men on both sides.

As for Weiler's own future, B.C. apparently looms large in it. Lotus land is now in his blood and after two or three or four years following his academic pursuits elsewhere, he hopes to return to B.C. Maybe he'll get his chance on the Supreme Court but for him it would be for a precise term, of say, ten years, and preferably in his fifties.

He believes Supreme Court of Canada work is a gruelling grind and a man can continue at the height of judicial powers for only about ten years. After that he should retire. And why not, if he has a British Columbia to go home to? 

John Clarke is a senior editorial writer and labour affairs analyst with the Vancouver Province.

Union growth and public policy in Canada

by George Sayers Bain

The growth of trade unions has been a striking feature of most western societies in the twentieth century. Canada is no exception to this generalization: aggregate or total union membership has increased almost tenfold and union density, or the proportion of the labour force unionized, has increased almost threefold since 1921. Viewed over the recent past, however, the growth of Canadian unionism is much less impressive. The great expansion in union membership and density in Canada occurred during the 1940s and early 1950s. Union membership stagnated and union density declined during the last half of the 1950s and the first half of the 1960s. And most of the increase in union membership and density which has occurred since the mid-1960s is accounted for by the transformation of government employee associations into collective bargaining agents.

At the moment, not more than 40 per cent of all potential union members in Canada are unionized. To put it another way, at least 60 per cent or 5,387,000 workers do not belong to trade unions and "employee associations." And although the aggregate level of union density in Canada is higher than that in the United States, it is considerably lower than that in Australia, the United Kingdom, Austria, Sweden, and several other European countries.

The growth and present extent of Canadian unionism is also less impressive when viewed at a disaggregated level. The density of unionization in some of the most highly unionized sectors of the

economy is declining. There are several sectors of the economy — finance, insurance, and real estate; agriculture; trade; and services — where the degree of unionization is very low. Moreover, these sectors contain about 50 per cent of potential union membership, and employment in them is increasing much more rapidly than in the more highly unionized sectors. Women are very poorly unionized and their employment between 1962 and 1975 increased 70 per cent more quickly than that of men. White-collar workers, who represent more than 50 per cent of the labour force and whose numbers increased twice as fast as those of manual workers between 1962 and 1975, are even less unionized than women. In short, employment in the poorly organized sectors of the economy is expanding much more rapidly than in the well organized sectors. If this trend continues, as it is likely to, and if unions do not make a significant advance in organizing the unorganized, the aggregate level of union density in Canada is bound to fall.

Whether or not the lack of unionization among a large proportion of Canadian workers is seen as a problem will depend upon the value which is attached to trade unions. Basically, the legitimacy and justification of trade unions rests upon a belief in the value of democratic decision making. The claimants upon the consideration of the employer-manager include not only the enterprise's employees, but also its suppliers of raw materials, its customers, its shareholders, the community, and the government. The employer-manager can-

not govern entirely in the interests of any one of these groups, but must balance the claims of them all in such a way that the enterprise remains economically viable. Thus regardless of how generous, fairminded, or accessible to his staff an employer may be, the very nature of his function will sometimes require him to act against the interests of his employees as they see them. On such occasions, a trade union enables employees to present their views in a coherent form and to provide the countervailing power necessary to ensure that their views are fully considered by the employer-manager.

Unions enable employees to have an effective voice in decision making not only within the firm but also within the wider society. Decisions on economic and social matters are increasingly being taken, or at least influenced, by governmental bodies. It is difficult for employees to be represented on such bodies, to communicate their views to them, or to participate in institutionalized consultation processes with government, except through the medium of a trade union. As Gunnar Myrdal has noted, Western societies are increasingly becoming "organization societies" in which the only way an individual can effectively participate in national decision making is through group representation.

Such representation obviously has advantages for those who are represented. But it also has advantages for society as a whole. David Kwavnick argued in his book, *Organized Labour and*

Pressure Politics, that "the existence and operations of organized groups introduces an element of stability into the political process; they enable government to stay 'on top' of the currents of opinion among the various interests of the country; they enable government to carry on a continuous process of 'fence mending' by continually drawing attention to the fences which require mending; they relieve the government of a large part of the problem of marshalling support behind policy decisions; they often aid in the actual administration of legislation; and, finally, they sometimes relieve government of the necessity of making a decision by reaching compromise among themselves."

A similar process occurs at the industrial level. Since some of the goals and objectives of the claimants upon the consideration of the employer-manager differ, and since he cannot satisfy them all on every occasion, conflict is inherent in the very nature of industrial organization. By making collective bargaining possible, however, trade unions provide a device for structuring and resolving this conflict.

If democratic decision making is accepted as a good thing, or at least as being preferable to autocracy or paternalism, then the lack of unionization among large numbers of workers is a matter for serious concern. For as long as groups of employees are unrepresented in decision making, both within the firm and within consultation processes established by government to contribute to national policy formulation, the process and structure of democracy are less complete. The question therefore arises as to how the growth of unionism can be encouraged.

Research and experience in several countries has indicated many factors which are of over-

whelming strategic significance in determining union growth. The first of these is the business cycle and, in particular, such individual components of the cycle as prices, wages, and unemployment. Price rises generally have a positive impact upon union growth because of the "threat effect" — the tendency of workers to unionize in an attempt to defend their standard of living against the threat posed by rising prices — and wage rises have a similar impact because of the "credit effect" — the tendency of workers to credit wage rises to unions and to support them in the hope of doing as well or even better in the future. Unemployment has a negative impact upon union growth because it reduces the relative bargaining power of unions and in this and other ways lessens the attractiveness of union membership.

The impact of the business cycle upon union growth is, however, very much constrained by certain structural factors. The most important of these are the extent to which the employment of workers is concentrated in large groups; the extent to which employers are prepared to recognize unions; and the extent to which the government promotes union recognition. The more concentrated the workers' employment, the more likely they are to feel the need to join trade unions because of "bureaucratization" or the standardization of their working conditions, and the more easily trade unions can meet this need because of the greater awareness of group interests on the part of employees as well as the economies of scale characteristic of union recruitment and administration. The greater the degree of recognition which employers concede to unions, the more likely workers are to join them because they are less likely to jeopardize their career prospects by so doing,

they can more easily reconcile union membership with their "loyalty" to the company, and they will obtain a better service as their unions will be more effective in the process of job regulation. It follows from this that the more governments encourage employers to recognize unions by legislative or other means the more likely unions are to grow.

Now that the major determinants of union growth have been indicated, an attempt can be made to answer the question of how it might be encouraged. Regardless of how intensively trade unions attempt to recruit new members, their efforts are likely to be more successful when the economy is buoyant and when the structural factors discussed above are favourable to union growth. Unfortunately for unions, however, they can do little to control the buoyancy of the economy while all of the "structural underpinnings" of union growth are also beyond their direct control.

Employers also have little direct control over the buoyancy of the economy, and the size of their firms is primarily determined by market and technological considerations. But employers could encourage the growth of unions by adopting more positive policies toward them. They are unlikely to do so willingly, however, for, as Beaucage noted in a paper he prepared for Labour Canada, "Canadian employers have always praised the virtues of economic liberalism, the determination of productivity by the forces of supply and demand, and consequently, the major role played by a market free of institutional constraints. However, especially since the beginning of the 1950s, they...have come to accept more easily government intervention and the development of unionism... which could be described as pragmatic; that is, it is oriented toward

negotiation for economic advantages rather than opposition to the socio-political system. Nevertheless, there is even today an element of stubborn resistance to this kind of unionism, even though it has enjoyed legal status and been encouraged in Canada for several decades." This "element of stubborn resistance" is particularly strongly expressed in employers' attitudes to the unionization of employees in the trade, finance, and service sectors of the economy and to the unionization of white-collar employees more generally — the very employees the trade union movement must recruit if it is to remain a dynamic and effective force in Canadian society.

The government could encourage union growth by maintaining a buoyant economy and a low level of unemployment. But favourable economic conditions are unlikely

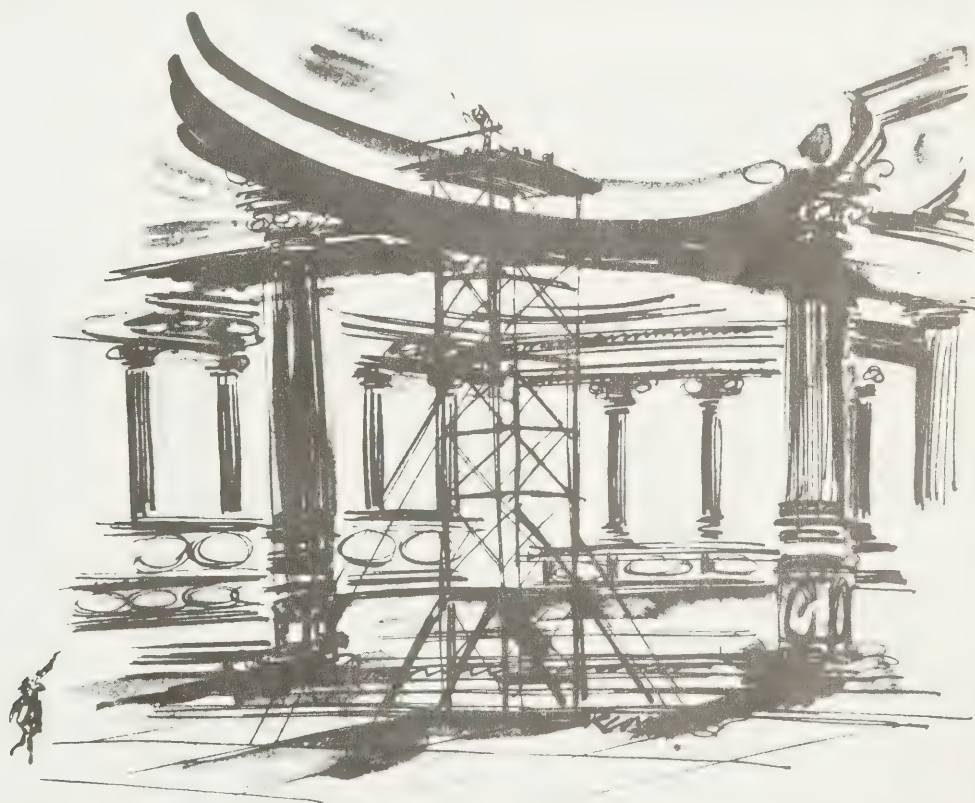
by themselves to bring about a significant expansion of unionism, especially in the poorly organized sectors of the economy, if employer opposition to it remains unabated. Such an expansion is more likely to occur if the government designs and administers its labour legislation so that employers are less able to resist unionization and unions are more able to obtain recognition from them. There are several ways in which this could be done.

"In order to encourage and ensure recognition of the social purpose of collective bargaining legislation as an instrument for the advancement of fundamental freedoms in our industrial society," the Task Force on Labour Relations recommended in 1968 that such legislation "contain a preamble that would replace the neutral tone of the present statute with a positive commitment to the collective bar-

gaining system." So far, only four jurisdictions — Canada, British Columbia, Manitoba, and Ontario — have amended their legislation in line with this recommendation. It would be useful if the other jurisdictions were to do likewise, and if the statement of the "positive commitment" were given greater force by being couched in stronger terms and placed within the body of the legislation. Such a statement would make absolutely clear to those who administer the legislation and to those who are subject to it that one of its major purposes is to promote trade unionism and collective bargaining.

Given this purpose, the protective provisions of the legislation should cover as many employees as possible. For in spite of a trend toward a wider coverage of collective bargaining legislation, some jurisdictions still exclude profes-

"Hold on a minute! You can't touch that unless you're a member of the National Union of Geniuses."



sional and certain other groups of employees from its protection. Alberta, Nova Scotia, and Prince Edward Island exclude members of the architectural, dental, engineering, legal, and medical professions; Ontario excludes members of all of these groups, except professional engineers, and also excludes members of the land surveying profession; and British Columbia has recently passed legislation which excludes university teachers. A large proportion of the members of these professions are no longer self-employed, and there would seem to be no good reason for denying them access to collective bargaining. Similarly, there would seem to be no good reason for Ontario and New Brunswick to exclude domestic employees, and for Ontario also to exclude persons employed in agriculture, horticulture, hunting, or trapping. All these workers should be covered by the protective provisions of collective bargaining legislation.

If the above proposals were implemented, they would be useful in setting the tone for industrial relations in Canada and in broadening the coverage of collective bargaining legislation. But they would not directly do much to curb employer opposition to unions. Public policy would be more effective in this regard if Alberta, New Brunswick, and Newfoundland were to follow the example of the other jurisdictions and expressly place the burden of proof upon the employer in unfair labour practice cases involving alleged victimization because of union membership or union activity. In addition, the scope for unfair labour practices would be reduced if Alberta and New Brunswick were to follow the example of the other jurisdictions and prohibit any unilateral change in the terms and conditions of employment in an intended bargaining unit while an application for its certification is pending. The

scope for such practices would be even further reduced if all jurisdictions were to follow the practice which existed in British Columbia before Bill 89 was passed, and allowed the board to freeze the terms and conditions of employment in an intended bargaining unit for 30 days once a union gives notice that it plans to organize that unit.

Regardless of how far the provisions concerning unfair labour practices were enlarged, their administration would be facilitated if the general remedial powers of labour boards were expanded. This objective would be partly achieved if Newfoundland and Canada were to follow the practice in the other jurisdictions and give their boards greater power to prosecute unfair labour practices without the prior approval of the Minister of Labour. It would be further achieved if, as in British Columbia, Nova Scotia, and Ontario, labour boards were allowed to certify a union with less than majority support where an employer commits an unfair labour practice which prevents the true wishes of the employees being ascertained. Such a remedy, as a past chairman of the Labour Relations Board of British Columbia has observed, acts "as a disincentive to coercive tactics because these may well produce the certification, which is the exact opposite of what the employer intended." But certification is of little use to a union unless it can develop, in the words of the Ontario legislation, "membership support adequate for the purposes of collective bargaining." If such support is unlikely to develop, then the board should have sufficient remedial power, as in British Columbia, to order the employer to "make whole" the union for its lawyer's fees, litigation costs, and organizational expenses attributable to the employer's conduct.

Even if public policy were to curb

more effectively employer opposition to unions, the latter would still be at a considerable disadvantage in obtaining access to employees and communicating with them. As one labour lawyer has noted, "in an organizing drive, the advantages of communication are markedly with management. Labour has to rely pretty much on appeals via established media at the place of the employer, home solicitations, and meetings at a hired hall. Management has available to it a complete and accurate mailing list of employees, together with the plant itself, wherein employees can be addressed as a captive audience, or on their own time. Furthermore, during working hours other than for relief and rest periods, management contacts with employees are more frequent and more sustained."

There are several ways in which public policy could lessen the inherent disadvantage which unions face in recruiting members. Alberta, Newfoundland, Nova Scotia, Prince Edward Island, and Saskatchewan could follow the example of the other jurisdictions and allow union representatives access to employees where they reside in isolated locations on property owned or controlled by the employer. Indeed, all jurisdictions could go further in this respect. If the objective is to encourage union growth and collective bargaining, there would seem to be no reason — other than an overly legalistic concern with property rights which fails to recognize the increasingly public nature of the modern corporation — why union representatives should not be allowed access to employees at their place of work, isolated or not, at times which do not interfere with production, such as during lunch breaks and between shifts, for the purpose of attempting to persuade them to become union members. And if employers communicate with their

employees during working hours regarding unionization, unions could be allowed to do likewise. Finally, as was the case in British Columbia before Bill 89 was passed, a union could be given access to the names, addresses, and telephone numbers of the employees in an intended bargaining unit once it gives notice that it plans to organize that unit.

If the above proposals were implemented, unions would have a better opportunity to recruit members and hence a better chance to demonstrate their representativeness and thereby be certified as bargaining agents. Unions would have an even better chance of being certified if the procedures for representation votes were modified in certain ways. First, rather than requiring — as in Alberta, Manitoba, Newfoundland, and Prince Edward Island — that more than 50 per cent of the employees in a bargaining unit support a union before allowing it a representation vote, or even requiring 45 per cent as in British Columbia and Ontario or 40 per cent as in New Brunswick and Nova Scotia, the law could require only 35 per cent as in Quebec and Canada or even 25 per cent as in Saskatchewan. Second, since the lengthy delays which often characterize the processing of certification may erode a union's support, labour boards could be explicitly empowered — as in British Columbia, New Brunswick, Nova Scotia, Ontario, Prince Edward Island, and Canada — to hold the representation vote as soon as possible after the application for certification is lodged and before any formal hearings are held to determine such matters as the status of the union or the exact scope of the bargaining unit. Finally, rather than require a union to demonstrate in a representation vote that it has a majority among all those employed in a bargaining unit — as in Alberta, New

Brunswick, Newfoundland and Quebec — or require that a minimum percentage of the eligible workers cast their ballots before the election is considered valid — as in British Columbia, Prince Edward Island, Saskatchewan, and Canada — the law in these jurisdictions could simply follow normal electoral practice — as in Manitoba, Nova Scotia, and Ontario — and require only a simple majority among those actually voting.

Regardless of how easy it is to obtain a representation vote or how quickly it is held, it generally places the union at a disadvantage. Piliotis has presented a great deal of empirical evidence, in a paper prepared for the Ontario Ministry of Labour, which demonstrates that the initial support unions obtain through membership is generally considerably greater than the eventual support they obtain through a representation vote. These findings are partly explained by the delays which often occur in holding representation votes. But they are also partly explained by the context in which representation votes are held — a context very different from that of public voting on which political party is to form the next government.

The prospect of a representation vote often produces what the Labour Board of British Columbia has referred to as a "messy campaign" in which the union is, as explained above, at an inherent disadvantage in obtaining access to employees and communicating with them, and in which the employer "may fire some employees, threaten or intimidate others, or promise wage improvements to the entire group, all in order to avoid unionization." Moreover, even when a union has been able to convince employees to become members, some of them may still be reluctant to support the union openly in a

representation vote because of a fear — real or imagined — of employer retaliation. For regardless of the outcome of the vote, the employer is in a position to make life difficult for those who supported the union. And although the vote is by secret ballot, it is conducted on the employer's premises and in the presence of an employer representative (scrutineer), and this may cause some employees who support the union to vote against it or, especially in those jurisdictions where abstentions count against the union, to abstain from voting.

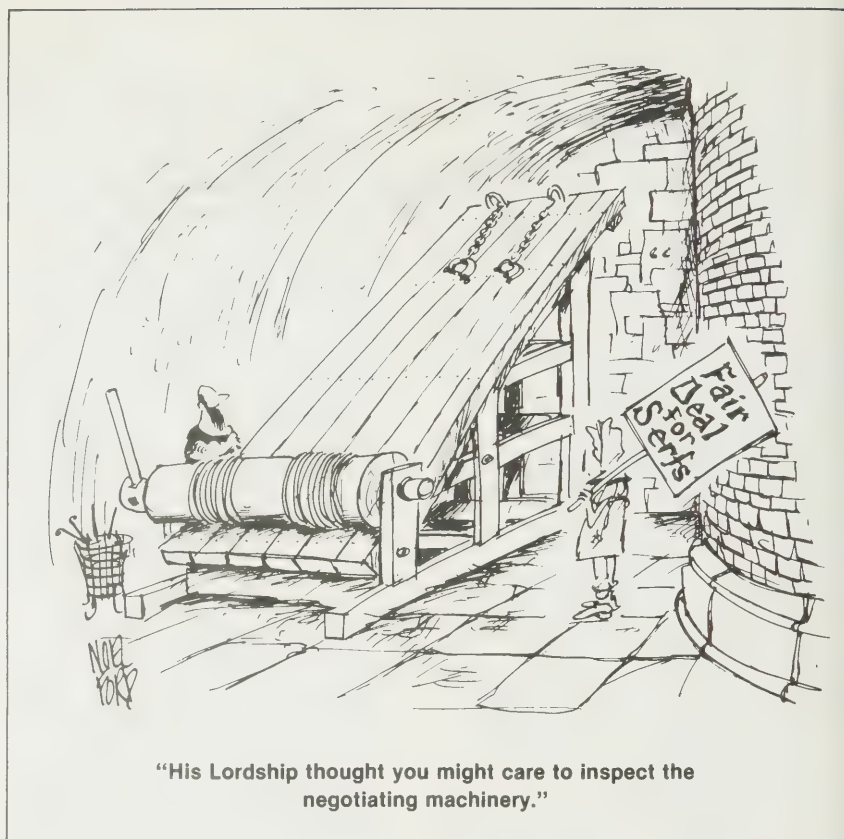
Hence less reliance upon representation votes and more use of "outright certification" on the basis of initial membership support is likely to promote union recognition and growth. All jurisdictions in Canada — except Nova Scotia — provide for outright certification, but it is not granted in British Columbia and Ontario unless more than 55 per cent of the bargaining unit are union members; and although outright certification *may* be granted in New Brunswick if more than 50 per cent of the bargaining unit are union members, it *need* not be granted unless membership exceeds 60 per cent. Clearly, outright certification would be easier to obtain if all jurisdictions took an untechnical and non-legalistic view of what constitutes support for the union. What is important is not whether a majority of the employees in a bargaining unit are "legally" members of the union but whether they wish the union to represent them. Finally, outright certification would be easier to obtain (as would representation votes) if, as in British Columbia, support for the union, however defined, were assessed as of the date the board received the union's application rather than as of some subsequent date such as that of the hearing. Such a provision would ensure that a union's application for certi-

fication would not be endangered by any loss of support which resulted from procedural delays.

Even if support for the union were assessed as of the date of its application, the longer it has to wait to be certified the more likely its support will be dissipated and the more likely it will have difficulty in obtaining a first contract from the employer. The gap between application and certification is likely to be smaller the less labour boards use formal hearings and the more they rely upon the investigations of their industrial relations officers. Thus boards should not be required, as they are in Ontario, to hold a hearing in every case, and the board rather than the parties should have the right to determine in which cases formal hearings are necessary. And where formal hearings are necessary — for example, to resolve disputes over the composition of the bargaining unit — labour boards could be empowered, as in Ontario, to grant "interim certification" pending the resolution of the dispute if its outcome cannot affect the union's right to certification. Any procedural delays which then occurred would not prevent the union from beginning to bargain with the employer and thereby consolidating its support by demonstrating that it was doing something for the employees.

All of the above proposals are intended in one way or another to help unions to satisfy the criterion of representatives which labour relations boards apply in deciding whether or not to certify them as bargaining units. Although this criterion is widely regarded as being fair and reasonable, it works to the disadvantage of any union which is seeking recognition from an employer. For representativeness and recognition are not independent phenomena but are closely related and interact.

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"His Lordship thought you might care to inspect the negotiating machinery."

In the words of the Commission on Industrial Relations in the United Kingdom, "the act of recognition...tends to bring about a significant change in employee attitudes...Once a union is recognized and seen to be accepted by an employer, employee support will develop and opposition from other employees will lessen." In short, the criterion of representativeness works to the disadvantage of unions because the absence of recognition is one of the major factors impeding the growth of union membership. The interdependence between union membership and union recognition is not an argument for completely abandoning the criterion of representativeness and for granting recognition to unions before they have any representativeness whatsoever. But it is an argument against applying this criterion too stringently.

All jurisdictions in Canada define representativeness to mean that a majority of the employees in a bargaining unit wish a union to represent them. If a union can demonstrate this degree of representativeness, it is certified as the exclusive bargaining agent for the bargaining unit, and as such it is legally obliged to represent fairly all the employees in the unit whether or not they are union members. Most supporters of this procedure justify it by an analogy with representative democracy in the political sphere. They generally see it, as a remark by Bob Repas illustrates, "as an extension of the concept of majority rule. Just as the winning political party enacts legislation for all the people, the union winning exclusive recognition negotiates for all employees in the bargaining unit."

If this political analogy is pursued,

however, it reveals that the criterion of representatives is applied much more stringently in the industrial than in the political sphere. Representative democracy in the political sphere, at least as practised in Canada and many other countries, enables a citizen who acquires more votes than any other citizen in a particular constituency to become its representative, and a political party which commands more support than any other political party among the elected representatives to become the government. In contrast, in the industrial sphere a union which has more support than any other union among the employees of a particular bargaining unit cannot become their representative unless it can also demonstrate that a majority wish it to represent them. If it cannot demonstrate this degree of support, then no one in the bargaining unit is entitled to be represented by the union. In other words, in the industrial sphere, unlike in the political sphere, those who do not want collective representation can deny it to those who do.

Thus collective representation in the industrial sphere is not a basic right which is available to anyone who wishes it, as it is in the political sphere, but a privilege which has to be earned. Moreover, in return for being allowed the opportunity to earn this privilege, unions and their members have had to pay a high price: the loss of their right to strike for recognition. Hence, even where unions have sufficient industrial strength in spite of minority membership to force employers to concede recognition, they are rendered impotent. In short, the legislative procedures for obtaining union recognition involve an exchange in which the state may currently gain more in industrial peace and stability than unions gain in recognition and growth.

There are several ways in which this exchange could be made more favourable to unions. As indicated above, a union owes a duty of fair representation to all the employees in a bargaining unit for which it has been certified. Unions have not asked to be allowed to represent non-members; they are generally quite content to represent only their members. The duty of fair representation has been laid upon them by public policy, and the very least public policy might do is to ensure that all employees in a bargaining unit, and not just union members, pay for the representation which they receive. The doctrine of fair representation, as the Task Force on Labour Relations noted a decade ago, supports the agency-shop form of union security. It therefore went on to recommend "that the compulsory irrevocable check-off of regular and reasonable dues be available to a certified union as of right upon the negotiation of its initial collective agreement and thereafter, and that this right be extended to a union recognized voluntarily by the employer." The passage of Bill 45 in Quebec has given effect to this recommendation of the Task Force in this jurisdiction.

If it were given effect in the other jurisdictions, it would help unions to consolidate their position once they had been recognized. But it would do nothing to help them to demonstrate the representativeness which is necessary to obtain recognition. Labour relations boards could help in this respect if they always bore in mind that representativeness is determined not only by the number of employees who support a union but also by the size of the bargaining unit over which this support is assessed. The Canada Labour Relations Board clearly had this point in mind in a recent case in which it decided against the wishes of the employer that a

single branch of a national bank was an appropriate unit for collective bargaining. It noted that "the express intention of Parliament is 'the encouragement of free collective bargaining,'" and then went on to argue that "this legislative intent can best be achieved by facilitating collective bargaining for employees who choose this procedure for settling their terms and conditions of employment.

That can be accomplished by this Board accepting or fashioning bargaining units that give employees a realistic possibility of exercising their rights under the Code. Too large units in unorganized industries will abort any possibility of collective bargaining ever commencing and defeat this express intention of Parliament. At the same time, this does not mean the Board will or should create artificial units based on extent of organizing. This would ignore the purpose of the Board's role." The above statement suggests that although the Canada Labour Relations Board in determining bargaining units takes into account the need for a "long term bargaining structure" which will lend itself to stable industrial relations, it also places considerable emphasis on "the freedom of choice of employees to group into self-determined units" which can be fairly easily unionized in the short-term. It, and other labour relations boards in Canada, would perhaps be able to place even more emphasis on the latter consideration if, as in British Columbia, they had the power to take the initiative to rationalize into larger units those bargaining structures which prove over time to be unduly fragmented.

Regardless of how bargaining units are designed, unions would find them easier to organize if the criterion of representativeness were applied less stringently. For example, the criterion could be applied in Canada, as it is in

certain other countries, so that employers would be required to recognize and bargain with any union which had any representativeness whatsoever in a particular bargaining unit. The advantage of such a procedure is that collective bargaining would be made available to all those who wanted it however few they might be in a particular bargaining unit; the disadvantage is that it would generally result in the workers in a particular bargaining unit being represented by a multiplicity of bargaining agents.

The advantage of the above procedure could be retained and its disadvantage overcome, however, if the criterion of representativeness were applied, as it is in some countries, so that employers were compelled to recognize and bargain with that union which was "most representative" of the employees in a particular bargaining unit regardless of whether or not it represented a majority of them. Such a procedure would mean that a majority which did not want collective bargaining could not deny it to a minority which did, but the procedure would also mean that the bargaining would tend to apply as much to the majority which did not want it as to the minority which did. For even if the law were to allow employers to apply different terms and conditions of employment to unionists than to non-unionists in a particular bargaining unit, they would probably be reluctant to do so for administrative and other reasons. Hence the question arises as to whether the rights of a minority which feels that its members' interests can be safeguarded only by collective bargaining are more important than the rights of a majority which feels that its members are able individually to defend their interests. People will give different answers to this question depending, among other things, upon how basic a right

they consider collective bargaining to be, how much they consider the members of the majority lose if the results of collective bargaining are "unavoidably" extended to them, and how much they consider the interdependence, discussed above, between recognition and representativeness places unions at a disadvantage in attracting members.

Even if the above question is answered in favour of the majority, the minority need not be left without any form of collective representation whatsoever. The rights of a majority which did not want collective bargaining would not be infringed if public policy were to give unions the right to be heard, the right to be consulted, and the right to process individual grievances on behalf of any member who was not already covered by a certified bargaining agent. Such "representational rights" are often conceded to unions in the United Kingdom in areas where they do not have sufficient support to obtain full negotiating rights, and some of these rights were conceded under Executive Order 10,988 in the United States to unions in the federal civil service. If similar rights were conceded to unions in Canada, they would be better able to provide a service for employees who did not have a certified bargaining agent and, by so doing, to build up support amongst them.

If the above proposals were implemented, unions would have a better chance of being certified as bargaining agents by labour relations boards. But, as Ed Finn has pointed out recently in *The Labour Gazette*, "even when certification is granted, a resolutely anti-labour employer still has one last weapon to employ — and it is a powerful one. That is to prolong negotiations for a first contract indefinitely, and either provoke a strike he knows the union can't win, or

use the delay to incite employee discontent with the union. In either case, such an employer often succeeds in getting rid of the union through a decertification application — one he has himself fostered by frustrating the union's efforts to get anywhere at the bargaining table." The force of Finn's view is illustrated by a recent case in Ontario. The Ontario Labour Relations Board found that an employer was attempting to undermine the negotiation of a first agreement, and it ordered the employer to meet with the union and bargain in good faith or face the prospect of contempt-of-court proceedings. Yet ten months later the union had still not been able to obtain a first agreement, and a majority of the employees voted to have it decertified. The union explained that it did not take any further proceedings before the board and the courts because its "legal advice had been that it would be difficult to obtain a contempt-of-court citation and penalty from the courts for a matter as difficult to pin down as failure to bargain in good faith."

British Columbia has tried to strengthen the position of newly certified unions by providing for first-contract arbitration. Its labour relations board may, at the request of either party and as directed by the Minister of Labour, impose a first collective agreement for a one-year term. A similar provision has been introduced in Quebec by the passage of Bill 45 and in the federal jurisdiction by the recent amendments to Part V of the Canada Labour Code. Manitoba has a weaker but related provision which stipulates that where an employer unilaterally alters any term or condition of employment within 15 months after a union is certified and no collective agreement has been achieved, the union may require the employer to prepare a written code of employ-

ment which becomes effective for one year and applies as though it were a collective agreement.

First-contract arbitration is no doubt a better deterrent against bargaining in bad faith than the standard devices of cease-and-desist orders and contempt-of-court proceedings. But, as presently conceived, it does not seem to be realizing the hope of its advocates "that an enforced, one-year 'trial marriage' might erase enough of the distrust and bitterness so that meaningful collective bargaining, directed at the real issues, will be possible when the time for renewal arrives." In several of the cases in which a first agreement has been imposed since first-contract arbitration came into effect in British Columbia in 1974, the union has failed to obtain a second agreement when the first expired.

A newly certified union would be more likely to establish a permanent collective bargaining relationship with an employer if it had access to compulsory arbitration for a longer period: say, until five years had elapsed since certification or, if the union were unable to negotiate at least one agreement by itself during this period, until such time as it was able to. Public policy could even go further and make compulsory arbitration the remedy for bad-faith bargaining regardless of when it occurs. And if unions were granted "representational rights" on behalf of any member who was not already covered by a certified bargaining agent, as suggested above, they would be better able to process individual grievances if they were given access to compulsory arbitration in respect of at least a limited range of issues such as discipline and dismissal.

A final way in which public policy could facilitate the certification of unions as bargaining agents would be to ensure that the decisions of

labour relations boards were not subject to judicial review. For even if a court upholds a labour board's decision, the process of reviewing it delays its implementation, and delay generally weakens the union's position. Judicial review has become such a problem that, to take one example, the Canada Labour Relations Board was recently moved to note that "to date, over six per cent of final orders and decisions issued by the Board have been the object of proceedings in the Federal Court of Appeal. Although in only one instance was the Board's decision set aside, these proceedings have substantially delayed the implementation of Board orders and jeopardized in some situations access to effective collective bargaining. Such delays are particularly disquieting where Board orders are for the reinstatement and compensation of employees discharged or discriminated against contrary to the provisions of the new Part V of the Code."

All jurisdictions in Canada have tried to prevent judicial review of labour board decisions by enacting privative clauses in the relevant legislation. They have not achieved their objective, however, because the courts have generally taken the view that the privative clauses do not prevent judicial review where a board is alleged to have exceeded its jurisdiction or to have ignored the rules of natural justice. In an attempt to prevent judicial review on these and all other grounds, British Columbia has enacted a very strongly worded clause. It remains to be seen whether the wording of this privative clause will be sufficient to keep the courts at bay. But, if the objective is to encourage union growth and recognition, this wording is clearly a step in the right direction and a step which other jurisdictions should take. A supplementary step which could be taken, especially if the courts continue to intervene, is

to allow board decisions to be implemented and enforced pending the outcome of a review.

The introduction of the measures discussed in this paper would obviously benefit trade unions and their members. But it would also be more generally beneficial. Thomas Donahue of the AFL-CIO recently pointed out that unions in North America "exist in a society hostile to trade unionism in a different way than is true in Europe.

In our exclusive recognition-or-nothing system we 'go for broke' against an employer who is fighting not against the way in which we work, not against the specifics we seek, but rather against our very existence in his plant. While I don't think employers elsewhere in the world welcome unions with open arms, I do think their opposition is different in kind and doesn't threaten union existence." This state of affairs helps to explain why the level of industrial conflict in Canada (and the United States) has consistently been among the highest in the world. Moreover, the fact that unions in Canada "perceive themselves as being under attack" and "feel that they must be constantly on guard to protect the shaky rights they have had to struggle so hard to establish" also helps to explain, as Roy Adams has recently noted in *The Labour Gazette*, why they are so "defensive and suspicious of any government or management initiatives" to improve industrial relations. Unions in Canada would be more likely to respond positively to such initiatives if they were granted greater legitimacy and institutional security. The introduction of the above proposals would contribute toward this end. [g]

The foregoing is based on a discussion paper prepared by Professor Bain for Labour Canada's Employment Relations Branch. The author, a Canadian, is director of the Social Science Research Council's Industrial Relations Research Unit, University of Warwick, Coventry, England.

What's wrong with unions?

by Kenneth McDonald

To ask the question, "What's wrong with unions?" is to beg the related questions that apply to other pressure groups in society. Labour unions, businessmen, environmentalists, educators, consumer advocates, social activists — all seek to advance their own interests through the coercive power of government.

The misuse of government power to favour some groups of people at the expense of the public in general is the prime cause of government's remarkable growth in size, influence and cost.

Perhaps the chief obstacle to correcting the resultant abuses is a failure to recognize that the tendency for power to accumulate is a natural phenomenon. Diffusing it requires not only constant effort but a constant awareness that the effort needs to be made.

Failure to understand both the phenomenon and the fact that it is natural leads to a personalization of issues which deserve to be approached objectively. Thus accusations are levelled at this company president, or that union leader or the other politician or civil servant when each is acting rationally within his or her own circumstances.

Though labour unions are no different in this respect from other pressure groups, their personalizing of issues is especially virulent for it is being applied to union members and to employers as separate, distinct and uniform classes of people.

Thus a leading union commentator wrote, in September 1977, of union leaders' difficulty "to 'sell' their constituents on a partnership with their traditional enemies, the bosses and the politicians." And again, referring to a mood among union members to respect the government's anti-inflation controls on wage settlements: "Their pacifism is a worrisome trend for union leaders now pledged to a resumption of warfare."

The importation from Britain of the "us and them" fixation sets Canadian unions apart from the U.S.-based international unions to

The importation from Britain of the "us and them" fixation sets Canadian unions apart from the U.S.-based international unions to which so many of them are affiliated

which so many of them are affiliated. Certainly there is confrontation in the U.S. between union members and employers but it is within a mutual acceptance of the competitive free enterprise system. Like any human system it is always open to improvement but there is no intention to overthrow it.

The dedication of many Canadian union leaders to various forms of socialism, and to the consequent expansion of government intervention which is inseparable from that political doctrine, sits oddly with their identification of government as enemy. The reason is plain

enough. Government is also characterized as employer. Its growth in Canada has been accompanied by an even faster growth of union membership among civil servants. In some civil service unions membership now approaches 100 per cent of eligible workers.

Characterizing government as employer may be convenient for union leaders bent on inciting militancy, but it is hardly consistent with the democratic principle of government by consent. There is no denying that it has worked. The hostility between citizens, including citizens who belong to private-sector unions, and other citizens who nominally "serve" them as employees of the common government, is a development as divisive as it is outmoded.

In Britain, the cradle of unionism, a recent poll of union members showed considerable disenchantment with union power. Although 85 per cent of those polled thought that trade unions were essential to protect workers' interests, 68 per cent thought unions have too much power and that the police should be authorized to stop mass picketing. Some 66 per cent regarded the union closed shop as a threat to individual liberty.

In Canada polls put big labour (i.e. unions) ahead of big government and well ahead of big business as the most serious threat to Canada's future. One national poll recorded 78 per cent opposed to strikes in services such as health

care, police and fire protection, education, hydro and mail.

Of the two questions posed, namely about the most serious threat and about strikes in essential services, the first is the more significant. It confirms the point made earlier that the real threat to liberty — excessive government growth — is still not recognized.

This ambivalence toward government finds its clearest expression in the union movement. For public service unions government as employer is the enemy. But for them, as for private-sector unions, government's coercive power has been and continues to be the chief instrument in consolidating and strengthening union power.

Observe how union members and

unions collectively flout the law with impunity:

- crimes against persons and property during the course of strikes are overlooked as a condition of settlement;

...the most potent example of the law's perversion in favour of unions is in the application of the Rand formula

- "peaceful" picketing is allowed to assume the characteristics of civil war;
- strike balloting is manipulated;
- the law which properly requires the employer to abide by settlement terms reached with union

negotiators allows the union membership to overturn them.

Perhaps the most potent example of the law's perversion in favour of unions is in the application of the formula named for Mr. Justice Rand who, in the preamble to his award, made some observations as topical today as they were when he rendered them in 1946.

For example: "Beyond doubt picketing was carried on in an illegal manner. The resistance to the preservation of plant property was from the standpoint of the strikers a supreme stupidity. The filling of the street alongside the plant with vehicles and the interference with innocent members of the public was an insolent flouting of civil order. But beyond doubt too, there was exasperation and provocation, and these actions seem to indicate the intensity of conviction on the part of the men that fair demands were being met only by stolid negativism. No one attempts to justify these actions, but a strike is not a tea party and when passions are deeply aroused civilized restraints go by the board unless the powers of order are summoned to vindicate them. Illegal action is for the civil authority to deal with. That authority must take the risk of temporizing with lawlessness. If broken heads are the only alternative to protection of members of the public, I do not understand that public safety must be abandoned."

Union leaders and press commentators have been so successful in identifying the Rand formula with the compulsory dues check-off that the conditions attached to the award are unknown to the public. Over the years those conditions have been eaten away by public apathy and political indulgence to unionism, above all by the mounting cost of capital invest-

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"Mr. Bowers is interesting. He believes that the country is not being run by the unions."

ment in plant and machinery, by the ruinous cost of shutting them down, and the resultant pressure upon employers to avoid strikes at the price of almost any concession. It is in this last, especially, that the balance of power has shifted to unions.

That such an imbalance was far from Mr. Justice Rand's intent is made clear from his Terms of Award, which made the compulsory dues check-off subject to the following conditions:

- No strike, general or partial, without a vote by secret ballot, supervised by the government, of all employees covered by the agreement.
- The union to repudiate any illegal or unauthorized strike and declare any picket line supporting such a strike to be illegal and not binding on its members.
- Any employee participating in such a strike to lose one year of seniority for every week or part thereof of absence from work and to be fined (1946) \$3 per day.
- A union failing to repudiate such strike or picket line to lose all right to the dues check-off for a period varying from two to six months.
- After 10 months from the start of the (compulsory check-off) agreement, 25 per cent of the employees could demand a secret ballot, held by the Department of Labour, to determine if the union would continue as the bargaining agent of the employees.

What has come to be known as the Rand formula, and to be demanded as a "right" by unions seeking recognition, is nothing of the sort. It has been reduced to a device for compelling all employees, whether they belong to the union or not, to pay union

...unions have used their power to extract concessions that set them apart from the rest of society

dues and for compelling employers to collect them. Union leaders attempt to justify the device by claiming, as one was quoted as saying recently, that "otherwise the union would have to be continually organizing new employees." Any resemblance between labour unions and voluntary associations ends right there.

In short, unions have used their power to secure concessions that set them apart from the rest of society. The power is part political, deriving from politicians' mistaken perception of the union membership as a bloc vote, part intimidation, exerted by physical violence and the threat of violence, part collective "bargaining" so one-sided as to be little short of blackmail.

Whatever form it takes, union power derives from government. Whether active, as in imposing upon employers restrictions from which unions are exempt, or passive, as in condoning unions' selective repudiation of the Rand formula, the coercive power of government is unions' prop and club.

Just as excessive government threatens the freedom of all Canadians, employer, employee and self-employed alike, so does union power, which derives from excessive government, threaten their freedom in much the same way.

One thing is certain. Cures for the abuse of power will not be found in the law which has been perverted to bring it about. They must

be sought not through arbitrary means but through voluntary ones.

A first step might be to recognize what has become, in the past few years, increasingly apparent: that government's manipulation of the economy has been calamitous; that the economists who influence governmental policies don't know what they are doing; and that the country's prosperity depends not upon sterile confrontations between groups seeking power for themselves but upon freedom for individuals to devote their talents to the creation of wealth.

Whatever role those individuals play in the process, there is no doubt that they all earn a share of the proceeds. The difficulty lies in deciding how that share is to be determined. Efforts by government to redistribute income have been singularly unsuccessful.

Just as excessive government threatens the freedom of all Canadians...so does union power, which derives from excessive government

In his report for the C.D. Howe Research Institute (*In Search of Robin Hood*, April 1978), Dr. W. Irwin Gillespie, Professor of Economics at Carleton University, concluded that: "The empirical evidence demonstrates that the federal government has not improved the economic position of the poor relative to the highest-income families during the 1970s."

The redistribution of income, which now constitutes government's foremost activity and expense, has also spawned an army of people who do *not* play a role in the wealth-creating process but who nevertheless are awarded

subsistence as a share of the proceeds.

It is ironic that labour union's persistent goal of full employment, and government's consequent acceptance of that goal, is the prime cause of the excessive government intervention which is strangling the economy.

This is not to say that full employment is not desirable, nor that it is unattainable, merely that it cannot be attained, in a liberal democracy, by coercion. The arbitrary regimes that now oppress some 80 per cent of the world's peoples have full employment of a sort, but some of it takes place in labour camps rather than labour unions and none of it enjoys the freedoms of speech, of movement or of assembly that Canadians take for granted.

To return, then, to the original question, it is the resort of unions to coercive power that is wrong with them. No doubt the change of mood in Britain will spread to Canada. No doubt the growing opposition to unionism in the United States will seep across the boarder.

What, in the meantime, can Canadians do on their own?

Among practical measures to restore a balance between the parties might be included the following:

- Union negotiating committees to be empowered by the membership, in advance of the negotiation, to complete it.
- If agreement is not reached, the employer's final offer to be communicated *by mail* to every employee, *before* a strike vote is taken, such vote to be conducted by secret ballot.



"Just once I'd like a contract without being blamed for inflation, warts, Mid-East crises, mass layoffs, sink backup, gumpie suicides, mange, seagull lice, dandelion infestation..."

- Membership of negotiating committees to be unchanged for the duration of the contract they negotiate, except for death, resignation from employment or dismissal, and not more than one-third of committee members to be changed at each renewal of negotiations.

Measures such as these would help to restore the balance that is needed to make bargaining both real and effective. Though they need no legislation, and though they are entirely within the power of individual unions to introduce, the union record of self-monitoring does not inspire optimism. Some 35 years since the introduction to Canada of compulsory bargaining, unions have yet to develop standards of conduct for their officers or members and have yet to develop codes of ethics. Consequently, reforms to restore a

balance may still need legislation to bring them about.

Quite separate, however, and in the domain of all three parties, unions, employers and provincial governments, is a procedure which could remove the subjective fallacies, the "us and them" fixation, which are so destructive.

It is simply this: to put all the cards on the table. Let the employer display where the money goes. So much for wages, salaries, pensions and fringe benefits, so much for research, for marketing, for taxes, for material and processing, for debt repayment, for profit reinvested, for profit retained for future investment, for profit distributed as dividends to shareholders.

At the same time let the union display where its money goes. So

much for salaries and pensions, so much for offices and administration, for education, for strike funds, for publicity and for organizing new locals.

Let the two breakdowns be authenticated by an impartial agency of the provincial government. Then let the same agency set the union's demands against the employer's projections of sales and profit that might be attained from the base of wage and fringe costs in the existing contract.

Adoption of this procedure would bring two results. First, it would open to public inspection the same breakdown of union finances which the law now properly requires of private employers. And second, it would reveal to union members the nature and extent of the costs the employer must bear in pursuit of the business which gives them employment. As a corollary, it would create an awareness that keeping *all* costs down, and not merely the cost of wages and salaries, is the employer's constant preoccupa-

tion. It would reveal the burden, and the cost, of taxes to support government services often regarded as "free."


Is it not likely that, given the opportunity to compare the two breakdowns, and to realize that the enterprise's survival depends upon keeping costs down, union members would look for ways to

...unions have yet to develop standards of conduct for their officers or members, and have yet to develop codes of ethics

contribute? Is it not likely that, given the opportunity to understand the costs of doing business, union members would also understand that the idea of automatic annual raises, unless they are earned by a lowering of other costs, must lead, in the general case of the national economy, to inflation and, in the particular case of their own enterprise, to a declining ability to compete?

There would still be room for bargaining. Human nature would ensure that employer and union held something back. But both would be arguing upon the factual basis of real costs, real taxes, real profit — or real loss.

The "us and them" fallacy that attempts to isolate union members from the realities of the workplace to which they contribute their talents and energies would be exposed. In its stead would come a realization that there is no free lunch, that Canada as a trading nation depends not upon governments, or upon the power that governments confer, but upon the ingenuity, skill and enterprise of its citizens.

Union leaders have a clear duty to play their part in bringing that realization home to the membership. 

Kenneth McDonald is a Toronto writer. His current book is GREEN MAPLE — How Canada Could Attain Peace, Order and Good Government.

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Industrial democracy in a multicultural milieu

by G.W. Ford

Writers on worker participation and self-management, with a few notable exceptions, have tended to assume the presence of a monocultural work force. Yet the industrial work forces in the technologically advanced western world are increasingly multicultural, or heterogeneous, not only in terms of ethnic origin but also in terms of age, sex, religion, education, occupation, industry, technology and hours of work. The aim of this article is to raise some questions on some of the complex issues that need to be studied if we are to understand the relationships between multiculturalism and industrial democracy.

To keep the article within manageable proportions, it will be limited to the relationship between industrial democracy and a few categories of employees, namely immigrant workers, married women, those working "non-standard" hours, and the unemployed.

While the discussion will draw primarily on Australian research and experience, the issues raised are relevant to other advanced industrial countries, including Canada.

Immigrant workers are perhaps the most neglected people in terms of the development of the theory and practice of industrial democracy. They have been treated as industrial cannon fodder by employers, governments and even by many unions in "host" countries. The traditional methods developed to protect industrial workers against

accidents, disease and exploitation are normally inadequate, inappropriate or just not applied to migrant workers. Ideas, policies and proposals for industrial democracy developed by academics, governments, business and unions tend to ignore migrant workers, or to assume that they will become absorbed or assimilated. At best, migrants are given token formal recognition without provision being made for the special difficulties they face in being involved in any form of industrial democracy.

The industrial work forces in the technologically advanced western world are increasingly multicultural or heterogeneous

An important reason for the neglect of the position of migrant workers in industrial democracy is the paucity of studies of the migrant workers *at work*. Studies of these workers have tended to concentrate either on economic issues — such as benefit-cost analysis of migrant workers to host and home countries, the transfer and investment of migrant savings and the impact of migration on labour markets — or on social issues such as housing conditions, community relations, family welfare and the education of migrant children. Relatively few social scientists have spent time with migrant workers in the one place that is fundamental to understanding their economic, social and political reality, namely their place of work.

The question of language obviously needs to be considered in any discussion of immigrants and industrial democracy.

These workers need to develop appropriate verbal skills in the language of the host countries in order to be able to participate fully in industrial democracy. Reliance on interpreters may do more to increase the power and influence of interpreters than of migrants. Yet Sweden is the only host country, it appears, in which the law requires an employer to provide newly-arrived migrants with opportunities to learn the local language in their first year, (240 hours). Even now, however, there seems to be some question as to how many employers are fulfilling this requirement. Elsewhere, employer language training for migrants tends to be inadequate and narrowly related to technical task requirements, not to developing fluency appropriate for the levels of understanding of issues involved in industrial democracy. Moreover, in the absence of significant contact with people outside their own cultural and linguistic groups, many adult migrant workers in fact have little incentive to learn the language of the host country.

However, mere fluency in the local language is not enough to enable people to participate in discussions requiring an ability to understand and evaluate ideas, concepts and processes, particularly when these cannot be related to the person's education or experience.

For instance, workers who have migrated to Australia from Britain cannot be expected to understand the complex nature and processes of the long established Australian industrial relations institution of compulsory arbitration. Yet at strike meetings they are often asked to evaluate and make immediate decisions on propositions that assume some knowledge of this system. A further problem is that many migrants, especially

Immigrant workers are perhaps the most neglected people in terms of the development of the theory and practice of industrial democracy

those from authoritarian cultures, are unaware of just what their basic democratic and industrial rights are. They may not realize, for example, that they have the right to vote in union elections without first becoming a citizen of their country of employment. Some immigrant workers in Australia were confused about the difference between credit unions and trade unions. Indeed, in a layoff at one plant, some expected to have their trade union dues refunded to them with interest!

In a multi-ethnic work force such as that of Australia and Canada, certain individuals may gain power and influence because of their role as link persons between management and particular ethnic work groups. For example, the pay clerk is seen by many migrants as powerful because he hands out money and therefore must be respected. Some companies employ multilingual people in this position and use them also as interpreters and interviewers, thus increasing their power to influence both management and ethnic workers. Such link persons could control many votes under a system of industrial democracy.

Another important group that tends to be neglected by both policy formulators and writers on industrial democracy is married women. Yet married women have dramatically increased their participation rate in the work force in recent years. In many countries, the participation rate of migrant married women is higher than the average.

...academics, governments, business and unions tend to ignore migrant workers or assume that they will become absorbed or assimilated

The participation of married women in industrial democracy is severely restricted both by their socialization and by the fact that they frequently carry the burden of



two full-time jobs — those of employee, and housewife/mother. Any attempts to improve their position in the processes of industrial democracy must acknowledge the considerable diversity in the socialization, cultures and household roles of married women in a multi-ethnic and multicultural work force.

Research undertaken in Australia suggests that the overwhelming majority of migrant women in that country have little or no understanding of industrial processes and the wider economic, social and legal systems of industrial communities. They often do the dirtiest and most menial tasks; yet they fear even the loss of these jobs. Their sense of isolation and powerlessness was dramatically emphasized in the study by F.E. Emery and C. Phillips of the

quality of working life in Australia, published by the Australian Government Publishing Service under the title, *Living at Work*: "The figure of 66 per cent of migrant women from southern Europe or non-European countries reporting 'no opportunities for life' is quite a shock, particularly if one bears in mind that these women were the ones who felt confident enough with the English language to be interviewed."

Concepts of industrial democracy normally assume that people understand and agree with the processes of democracy and are free and willing to express

Migrant workers need to develop appropriate skills in the language of the host countries in order to be able to participate fully in industrial democracy

opinions and assume some responsibility for decision making. However, such assumptions run counter to the values and customs of many migrant households. Turkish women for example, who are culturally conditioned not to speak up and certainly not to converse with males other than their husbands, would face enormous problems of role conflict if they were asked to participate in industrial democracy.

The literature on industrial democracy also tends to assume full-time employees working a standard work week, but in advanced technological societies, an increasing proportion of work is done in non-standard hours — shift work, evening and night work, part-time work, casual work, contract work, and the like. A study in France, for example, reported in the April, 1976 issue of *European Industrial Relations Review*, found that in 1954, 12 per cent of the

country's manual work force was engaged in shift work; by 1974 the percentage had risen to 21 per cent, or about two million workers. The report went on to argue that "shift workers should be encouraged to participate more fully in the running of the undertaking so as to reduce any feeling that they are isolated and different from those engaged in normal day work. The measures proposed include greater participation in union activities, greater access to vocational training and refresher courses and — through liaison with works councils and similar bodies — increased involvement in the organization and arrangement of shifts."

Discussion with workers in Australia has indicated that day workers and shift workers see themselves as having different access to power and influence and that this, in turn, affects their ideas and attitudes toward industrial democracy. This is particularly the case in high-technology process industries where the operators' knowledge of processes gives them significant power over production. Moreover, part-time employees have usually not been offered the same opportunities or protection as full-time employees. For instance, in drawing up lists of demands, union officials have apparently tended to favour full-time workers. This has particularly been the case when full-time and part-time workers are seen to be in competition over the distribution of the package. Will industrial democracy place this minority group at an even greater disadvantage? What policies, procedures and processes need to be developed to give this increasingly large proportion of employees, who may even be a majority in some organizations, a more equitable opportunity to participate?

Further, changes in the labour market of many industrialized

Immigrant workers from authoritarian countries are unaware of their basic democratic and industrial rights

countries actually appear to be increasing the number of casual and contract workers in some industries. One reason is the growth of subcontracting, used as a means of avoiding labour legislation. In the building industry, for instance, technical and organizational changes have led to the development of a considerable amount of subcontracting, particularly on large projects. Could such practices also be used to avoid industrial democracy? What forms of industrial democracy are appropriate on large projects involving many subcontractors?

The development of new philosophies of maintenance and repair of plant and equipment is also changing the employment position of many skilled workers from permanent to casuals, from being employed by large production organizations to small maintenance organizations. There now are a number of private employment agencies for example, specializing in recruiting casual skilled maintenance workers to work on plant shut-downs. Yet precious little is known about the work patterns or culture of this new group of casual workers, or about their ideas and interests relating to industrial democracy.

An important feature of the current world economic slowdown is that powerful and privileged groups openly assert their right to maintain their standard of living. These include secure public servants and academics and people in highly protected businesses and industries. The costs of the economic slowdown and consequent structural adjustments in the economy

are therefore inequitably distributed, the burden falling largely on the increasing number of unemployed.

Will industrial democracy further disadvantage the unemployed by excluding them from access to important decisions, particularly those relating to employment? Will industrial democracy further help the people who are now employed to protect themselves through job security arrangements or tenured appointments, to the detriment of those looking for work? This question is particularly important to the increasing number of young people who cannot find employment.

The role of religion and religious-based organizations has long been recognized as an important

Religious-based organizations may provide barriers to industrial democracy in countries where there is no official or overt religious trade union movement

variable in the development of industrial democracy in countries where Christian unions are active. However, what has not been widely understood or studied is the fact that religious-based organizations may provide significant barriers to the development of industrial democracy in countries where there is no official or overt religious trade union movement.

In Australia, for example, the

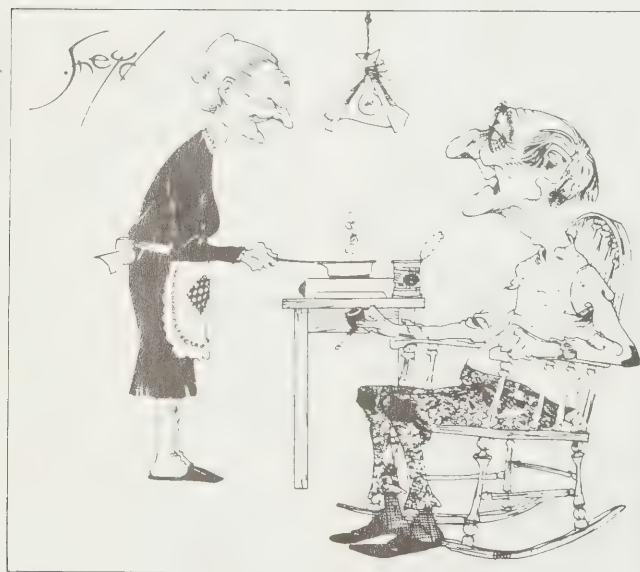
conflict between Roman Catholicism and Free Masonry is still important in the distribution of power in some areas of employment, particularly in state public service departments. The tight labour market of the 1950s and 1960s significantly reduced religious preference in employment and promotion. However, some public service departments are still controlled by the Masons or the Knights of the Southern Cross — a Roman Catholic organization founded in the 1920s — while in some other departments both these groups are continually struggling over promotions, power and influence. This is also the case in some trade unions. However, the extent of the problem remains unknown.

Students of industrial democracy have tended to ignore many of these important issues. Yet their existence may be an effective barrier to the development of genuine industrial democracy. If industrial democracy is to become a reality for all workers, rather than a mere slogan or an additional benefit for an already relatively privileged few, then they must all be effectively dealt with.

Well-established power groups, formal and informal, rarely relinquish their power without a struggle. On the other hand, attempts to establish some form of industrial democracy may bring such previously hidden power centres into the open where their power could be challenged more effectively. **ig**

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Toronto Star Syndicate



"How many more non-shopping days 'til Christmas?"

Immigrants in the Canadian workforce: occupational comparisons for three provinces

by William L. Marr

Immigration policy has traditionally been based on a combination of humanitarian and economic factors. In times of high growth and general labour demand Canada has had a relatively open immigration policy. In the 1950s and 1960s there was a shortage in particular areas such as professional and skilled secondary employment and these occupations were favoured when immigration policies were formulated. The 1970s have been characterized by economic stagnation, high unemployment, and a surplus of certain skills. Immigration policy therefore must be more selective if present economic conditions persist.

Federal immigration policies are based on total labour demand and are valid only if it is assumed that immigrants will fill the desired vacancies. This assumption has been challenged, however, by the provinces, several of which claim that differences between immigrant and native-born employment patterns exist which make these assumptions invalid. In addition, differences between provinces exist that might further complicate the situation and that make provincial participation in immigration policy essential.

In order to examine these assumptions, the occupational structures of native- and foreign-born workers are compared by province. The foreign-born are also analyzed by year of immigration and geograph-

ical area of birth. Finally, the proportional representation of each foreign-born group is examined by occupation.

Since Ontario, Quebec, and British Columbia contained about 81 per cent of Canada's foreign-born population in 1971, the analysis is confined to these provinces. Analysis of employment is by five broad occupational groupings:

- *Professional:* managerial-administrative, natural sciences, social sciences, religion, teaching, medicine and health, artistic-literary.
- *Clerical, Sales, Services*
- *Primary:* farming, fishing and hunting, forestry and logging, mining.
- *Secondary:* processing, machining, fabricating-assembling, construction, transport, materials handling, crafts and equipment.
- *Other and Not Stated*

Occupational patterns

When comparing total occupational distribution for native- and foreign-born, the similarities are many. Only in secondary occupations are there significant differences — foreign-born workers are more heavily represented than those born in Canada.

Comparing the three provinces, however, reveals some regional differences:

- Native-born employed are more heavily represented in primary industries in Ontario and Quebec while in British Columbia representation is about equal.
- In Quebec, and to a lesser extent in British Columbia, the foreign-born are more heavily represented in professional occupations.
- The greater representation of the foreign-born in secondary occupations mentioned above is especially marked in Ontario.

Comparing the employment of immigrants who came before 1946 with those who came in the 1960s indicates that immigrant employment in professional and secondary occupations is rising and employment in clerical-sales-service and primary occupations is falling. This trend affects all three provinces equally and is due to:

- The evolution of the Canadian economy toward higher incomes, greater education, and an urban environment;
- Changes in immigration legislation and orders-in-council placing greater stress on education and skills suitable to urban occupations;

● The time immigrants spend in Canada which allows them to age, become more mobile, and be assimilated.

Employment by birthplace

Since future immigration legislation may involve limits by country or geographical area, employment by birthplace was examined and it was found that:

● United States and British immigrants tended to be found in

professional and clerical/sales/service occupations;

● Asians were well represented in the professions (except in British Columbia) and in clerical/sales/service occupations;

● Although all continental Europeans were well represented in the secondary occupations, over 50 per cent of southern Europeans were employed in this category.

This analysis indicates that any reduction in immigration from

southern Europe would affect labour supply in secondary occupations whereas a cutback from other geographic areas would be felt more evenly and thus might have less significance over a wider spectrum of occupations.

Immigrants as a percentage of the work force

Table 1 shows that while the foreign-born make up only about 11 per cent of Quebec's labour force, their importance in Ontario

Table 1

Percentage distribution of labour force for each occupational group by birthplace, Quebec, Ontario, British Columbia, 1971 (per cent)

Occupation/Province	Birthplace								Total
	Canada	U.S.	U.K.	Northern-Western Europe	Southern Europe	Eastern Europe	Asia	Other	
Professional:									
Quebec	85.9	1.4	2.6	3.6	1.2	2.0	1.2	2.1	100.0
Ontario	72.1	2.4	10.4	4.9	1.8	3.3	2.3	2.8	100.0
British Columbia	71.4	3.8	12.1	5.1	0.6	2.1	2.3	2.6	100.0
Clerical, Sales, Service:									
Quebec	88.9	0.8	1.6	2.1	3.0	1.6	0.6	1.4	100.0
Ontario	73.0	1.3	9.1	4.5	5.7	3.3	1.3	1.8	100.0
British Columbia	75.4	2.2	9.6	5.1	1.9	1.8	2.6	1.4	100.0
Primary:									
Quebec	96.6	0.5	0.3	0.8	1.3	0.4	—	0.1	100.0
Ontario	79.4	1.0	2.5	8.3	3.7	4.4	0.3	0.4	100.0
British Columbia	73.7	3.7	4.6	9.1	2.8	3.3	2.6	0.2	100.0
Secondary:									
Quebec	87.5	0.5	0.7	1.8	6.6	1.7	0.4	0.8	100.0
Ontario	65.1	0.8	6.9	5.9	13.8	5.2	0.8	1.5	100.0
British Columbia	71.4	1.9	6.8	8.1	4.8	3.3	2.7	1.0	100.0
Other & Not Stated:									
Quebec	91.0	0.7	0.8	1.3	3.8	1.2	0.5	0.7	100.0
Ontario	76.6	1.1	5.0	3.7	7.9	3.4	1.1	1.2	100.0
British Columbia	79.6	2.4	5.7	4.6	2.1	2.2	1.9	1.5	100.0
All Occupations:									
Quebec	88.6	0.8	1.4	2.1	3.7	1.6	0.6	1.2	100.0
Ontario	71.2	1.3	7.9	5.1	7.5	3.9	1.3	1.7	100.0
British Columbia	73.9	2.4	8.5	6.2	2.6	2.4	2.5	1.5	100.0

Source: Census of Canada, 1971

Table 2

Birthplace	Over-represented	Under-represented
Canada	Clerical/Sales/Service Primary	Secondary
U.S.	Professional	Secondary
U.K.	Professional Clerical/Sales/Service	Primary Secondary
Southern Europe	Secondary	Professional Clerical/Sales/Service
Eastern Europe	Secondary	
Asia	Professional Clerical/Sales/Service	

and British Columbia is significantly greater at approximately 29 and 26 per cent respectively. Hence in total the foreign-born matter much less to Quebec's labour force than to those of Ontario and British Columbia. Although similar in certain respects, Ontario and British Columbia possess important differences. In British Columbia the proportion of foreign-born workers is similar in each occupational group: the foreign-born have not contributed disproportionately to one occupation. In contrast, in Ontario the foreign-born made up about 35 per cent of the secondary occupational group and about 20 per cent of the primary group. Table 1 shows that in each province the foreign-born are relatively more important to the secondary and professional occupations than to the primary and clerical/sales/service groups. This is not surprising since all three provinces have been influenced by the same federal immigration policy.

It is worth noting the cases where the foreign-born from a specific geographical area made a substan-

tial contribution to a province's labour force in some occupational group: professional and clerical/sales/service occupations — U.K. to Ontario and B.C. (9-12 per cent); primary occupations — northern and western Europe to Ontario and B.C. (8-9 per cent); secondary occupations — southern Europe to Ontario (14 per cent). Other birth-place groups supply from 3 to 8 per cent in some occupations, but this is less significant than those noted above.

Proportional representation of the foreign-born


The data in Table 1 can be used to determine whether particular foreign-born groups are over- or under-represented in certain occupational classes. The evidence can be summarized in Table 2

These are general results which apply to all three provinces, but for individual provinces there are variations. For example, northern and western Europe are over-represented in primary and secondary occupations in Ontario and British Columbia while they are over-

represented in professional occupations in Quebec.

Conclusions

In terms of the broad categories examined above, the native- and foreign-born occupational structures were similar in the three provinces. The foreign-born did, however, make major contributions in some specific occupations, although in Quebec they contributed relatively little to total labour supply.

Federal immigration authorities should be aware of the impact of immigration reductions which may affect specific occupational groups with provincial concentrations. Immigration policies would be more sensitive to regional differences if the provincial governments, planners, professional associations, and labour unions would monitor and, if possible, help formulate future immigration regulations. 

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A non-traditional approach to labour education

by Lily Oddie

During the past 25 years, the Canadian institutions of post-secondary education — and particularly degree-granting university bodies — have made considerable progress in accrediting adult learners in diverse disciplines and professions ranging from business administration to community studies. One major segment of our citizenry, however, has not yet received equal opportunity for access to knowledge. The group in question is organized labour, made up of workers from all parts of the country. Not surprisingly, therefore, trade unions and individual workers are now demanding programs and courses aimed at their unique needs.

The question of how post-secondary institutions, and universities in particular, can respond to this need is a challenging one that calls for a non-traditional approach to learning.

This article explores selected ways and means by which a non-traditional university (or a future-oriented traditional university) can contribute meaningfully to the quality of life in the workplace through multipartite participation in the planning and implementation of flexible labour programs. The proposals are based on past and continuing experience of Athabaska University at Edmonton with representative labour bodies, including the Canadian Labour Congress, the Alberta Federation of Labour, district labour councils and individual workers. Representatives of government and other post-secondary institutions also

have been and continue to be involved at appropriate stages.

Athabaska University is an off-campus, degree-granting open university whose mandate is to produce and deliver "needs responsive" learning experiences for adult residents of Alberta who

Organized labour has not received equal opportunity for access to knowledge

are unwilling or unable to attend a traditional post-secondary institution. Hence the university has tried to minimize the problems caused by constraints of time, distance and lack of prior formal education, and is service-oriented as well as program-oriented.

The typical services the university provides may be categorized under the umbrella heading "credit co-ordination." Students are counselled in articulating their educational needs, in relating previous experience and training to course requirements and course credits, and in planning their programs and courses. These services are suited to the needs of part-time learners and are quite different from the services received in a traditional university

The university represents, therefore, what may be termed an "open system operationalization of instructional development and technology" at the adult level — similar to that used at the Open University in Great Britain, the Empire State University and the

State University of New York, and the State University of Israel, among others. It also embraces a philosophy emphasizing the *life-long* pursuit of learning, also referred to as recurrent education.

Non-traditional institutions of learning must apply three necessary mechanisms to labour education (Figure 1):

- an instructional systems approach to learning;
- provision for multipartite involvement and responsibility in program design, development and delivery (including evaluation);
- a comprehensive credit co-ordination function.

Figure 1

FRAMEWORK FOR A NON-TRADITIONAL APPROACH TO LABOUR EDUCATION

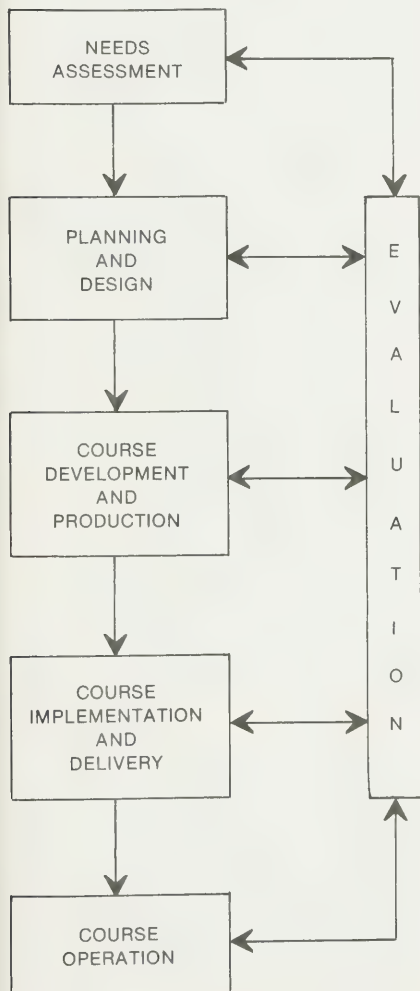
Basic Assumptions	(1) Philosophy of recurrent/lifelong learning
	(2) Unique characteristics and needs of the part-time adult learner
Ways and means to respond	(1) An instructional systems approach to learning
	(2) Multipartite involvement in program design, development & delivery, and evaluation
	(3) Credit co-ordination service function

The open instructional system used at Athabasca (illustrated in Figure 2) is ideally suited to the needs of various groups in the community. Its functioning is centred on the learner and his needs and the system assumes active participation by the student or target group. Now for a brief look at the components of the system:

(1) *needs assessment* — used rather loosely to refer to the process of information collection that leads to the original decision

Figure 2

ATHABASCA UNIVERSITY:
INSTRUCTIONAL SYSTEMS MODEL



Meeting the needs of trade unions and individual workers calls for a non-traditional approach to learning by post-secondary institutions

to start planning a particular program, concentration or course;

(2) *planning and design* — the assignment of a team — made up of subject matter experts, instructional developers, representatives of target groups, and student service personnel — to initiate the course planning and design;

(3) *course development and production* — draws on instructional designers, media experts and academics; its “outputs” include instructional and support materials such as record books, objectives, self-evaluation and others;

(4) *course implementation and delivery* — focuses on the student and includes providing tutors, distributing material, having classrooms and libraries available, establishing channels of communication, recruiting students and introducing them to the course or program;

(5) *course operation* — focuses on facilitating learning and monitoring the progress of students, and is typically carried out by tutors and course co-ordinators;

(6) *evaluation* — this component is present in all the other stages. Among the factors that must be evaluated continually are how well the students are learning, how effectively real needs of the community are being met, which needs should get priority, the social impact of the system, its quality and cost effectiveness, and how it meets the long-term goals of the educational institution.

Now let us consider the second

essential mechanism — multi-partite involvement of the user in the instructional system. At Athabasca University this began with the first of the six components of the system — *needs assessment*.

During the past two years, the university has entered into negotiations with several labour organizations for the express purpose of identifying a base for developing labour education programs. In addition to preliminary discussions, it presented a comprehensive proposal entitled *Design for Participation — Labour Education* to education committees of Labour Canada, the Canadian Labour Congress, the Alberta Federation of Labour and local unions. The university also initiated comprehensive talks with the provincial Department of Advanced Education and Manpower and with interested post-secondary institutions.

These groups received the overall labour studies design with interest, and discussed with the university the issues of control, input and evaluation. It was agreed that any design for labour education must be both comprehensive and long-term in nature, and negotiations are proceeding on that basis. However, short-term, pragmatic issues in labour education will also continue to be addressed by both the university and the trade union movement. For example, an individual worker can avail himself of any of the course offerings at the university; the labour movement will continue to provide and control its own worker education programs, including tool courses and instruction in leadership skills.

The university has obtained approval from labour to perform the first step of an open instructional system — formal needs assessment. It has received a \$12,500 grant from Labour Canada which, along with its own resources will be used to detail

Perception problems

Organized labour and post-secondary educational institutions have "perception problems about [each other's role in labour education," according to an article in the Summer issue of *Learning*, quarterly publication of the Canadian Association for Adult Education. It was written by Ian Morrison, executive director of the association, and Larry Wagg, director of education for the Canadian Labour Congress. The two, as members of the association's labour education committee, participated in consultation meetings with 120 adult educators in Winnipeg, Toronto, Halifax and Vancouver.

"We are confirmed in our impression that Canadian universities do not regard non-credit education as being worthy of serious attention," the authors observe. "They merely assume that when labour asks for resources to create learning opportunities for its members and leadership, the request is for credit courses.

"A few universities have moved past this level — notably the University of Winnipeg, Dalhousie University's Institute of Public Affairs and Simon Fraser University."

Morrison and Wagg found community colleges "more readily compatible" with the present goals of organized labour in education, noting: "They appear to be more flexible and responsive where they have shown interest, than are universities." They admit, however, that their impression "ignores the statement by leaders of

Saskatchewan's colleges that they have seen no interest from labour in their offerings which are known to be the most responsive in Canada."

The article says it is clear that the days of "ad hoc" activity have ended in many labour organizations: "Labour is working to develop a set of comprehensive policies and practices to encourage opportunities for its members, staff and leaders to learn." They add that labour insists that it is best equipped itself to offer the so-called "tool" courses such as parliamentary procedure, shop stewards' training and union administration.

Many unions, they write, among them the Canadian Union of Public Employees, are looking seriously at the learning needs of their personnel "and beginning to shop for capable institutions" that can respond.

Wagg and Morrison find "strong disagreement" about the relevance of a degree program in labour education. Harry Waisglass, who directs McMaster University's labour studies centre, is quoted as saying: "Ten years from now we will be nowhere if we do not implement degree programs." Others consulted, however, see degrees as "last among their priorities."

The article praises the "spontaneous co-operation and goodwill" evident in meetings between organized labour and universities in Alberta.

Roy LaBerge

the number of workers interested in a labour education program, where they live and work, and the conditions under which they would most likely follow the program; the types of courses required for a comprehensive program; the

instructional methods and techniques that would be acceptable to prospective participants; and the educational background and personal growth and career aspirations of prospective participants. The university will also compile a

directory of existing courses and other educational opportunities that now exist for labour education. This process of needs assessment also provides a means of informing workers about the program.

Needs assessment information forms the basis for the other five steps in the system, and the user — labour movement or individual worker — should be involved, committed and jointly responsible for these other steps as well. In planning and design, users could typically be involved, for example, as representatives on an advisory

The user — labour movement or individual worker — should be involved, committed and jointly responsible for all the steps in designing and operating a labour studies program

committee responsible for curriculum planning at the program or concentration stage, including statements of educational objectives, or course content. They could also be involved in a listing of courses offered by labour which could be "input" into a formal university course; there could also be labour involvement as guest speakers, instructors or tutors and through the use of labour facilities. Similarly they could participate in and be jointly responsible for the other stages of course development and production, course implementation and delivery, and course operation and evaluation.

Finally, let us turn to the third necessary component of labour education: a viable credit co-ordination process. This service function recognizes the unique problems of the part-time learner who has chosen to remain within the labour force as a contributing member of society. That is, he

wishes to remain on the job but also sees the opportunities and needs that can be met through further education. To meet these needs, credit co-ordination should process three key values: accessibility, flexibility and utility.

The credit co-ordination model used by Athabaska University includes 13 essential policy features. Implementing all of these comprehensively is, of course, a long-term goal. However, it is important that all be present at every stage of development; that is, they are all necessary ingredients. Figure 3 illustrates the 13 features.

The basic assumption of the model is support and recognition of the philosophy of recurrent learning/lifelong education and the unique needs of the part-time learner. Briefly, the 13 essential ingredients are:

(1) *open admission*, implying open admission not just to Athabaska University but to the system of post-secondary education (transferability of courses and entrance of students);

Figure 3

CREDIT CO-ORDINATION PROCESS


1. Open admission
2. Remedial/preparatory studies
3. Career planning
4. Educational planning
5. Formal credit evaluation
6. Informal education
 - competencies
 - experience
7. Flexibility
8. Individualized
9. Transferability
10. Professional articulation
11. Inter-University (Post-Secondary Institution) co-operation
12. Formalized alternatives
13. Optimal learning route

Adult education should be seen as a recurrent, lifelong pattern that is the right, the privilege and the responsibility of all

- (2) *remedial/preparatory* studies to make open admission a reality;
- (3) *career planning* and information assistance to identify the student's career goals;
- (4) *educational planning* and information assistance to identify the student's preferred program of studies;
- (5) *flexible evaluation* of formal credit obtained elsewhere;
- (6) *credits for competence* achieved through informal means;
- (7) *flexible qualifications* which can accommodate unusual routes through the system, independent of normal residency eligibility;
- (8) *individualized programs* to meet career goals;
- (9) a highly *adaptable and transferable* admission and selection program;
- (10) *professional programs* designed to articulate with the maximum number of other programs;
- (11) use of Athabaska's university status to achieve *access to the resources of other universities* — such as visiting student privileges;
- (12) preparedness to *recommend the best learning route*, not just the Athabaska University route;
- (13) *articulation* arrangements which formalize alternative routes through the system.

We may conclude by listing some of the key problems involved in recognition of labour education. I am not going to suggest answers, but I am convinced that the solutions exist if universities relate to the student and the larger society and if the student or group works co-operatively and earnestly to further the ideals and needs of his group in such a challenging society. Total commitment is needed by all if the goal of relevant, meaningful labour education is to be achieved. These critical issues or problem areas are:

- public awareness and acceptance of labour education;
- commitment of labour/business, government/academia to recognize labour education within and between social sub-systems;
- recognition of the need for continual research and application in dealing with the complex issues of "competency", evaluation and instruction;
- integration of changing societal values in current learning and instruction policies;
- continued emphasis on adult education as a recurrent lifelong pattern that is the right, the privilege and the responsibility of all.

The challenge to universities to recognize the need to provide labour education can be greatly facilitated by a threefold plan of action: incorporation of a dynamic instructional system, emphasis on multipartite involvement, and implementation of a credit co-ordination function. 

Lily Oddie, formerly co-ordinator of institutional research and evaluation at Athabaska University, Edmonton, is director of adult education at McMaster University, Hamilton.

The inspectorate: Part 2* — Change and development

by Joan C. Brown

A study of the annual reports of the regulatory departments and boards from 1970 onwards casts some useful light on the extent to which change and development in the inspectorate were occurring even before the revelations of the various commissions of inquiry into occupational health and safety in 1976-77. Annual reports never tell the full story of course, but where new and more effective programs are being developed, the department concerned usually wants to tell the public about them. Conversely, where little change is occurring and perhaps a degree of complacency exists, departments tend to produce brief and repetitious annual reports.

The overall picture of the inspectorate which has emerged from the reports of commissions of inquiry and other studies is fairly dismal. This was recorded in Part 1* of this article. The annual reports, however, suggest that some segments of the inspectorate were on the move.

The Labour Canada inspectorate came out rather badly in the report of the Commission of Inquiry on Health and Safety in Grain Elevators (the Finn Report), but Finn did comment that the department had taken "many positive, even innovative measures" to protect the health and safety of the workers.

One of the most useful was the development of *safety audits*, first undertaken by the department in 1971.

W.A. Martin, then Chief of the Accident Prevention Division, writing in *The Labour Gazette* in August 1971, suggested that in a routine regulatory inspection the violations cited would be the obvious ones and the directives given would probably not go beyond the immediate problem.

Probably the most significant innovation pioneered by Saskatchewan was a much more substantial and effective sharing of the task of inspection and regulation between the inspectorate, the workers and the employers

While routine inspections were appropriate for matters such as boilers, pressure vessels, elevators and the like, in more complex situations they were merely band aids. The 1971 annual report of the department pointed out that such routine inspections, especially in large organizations, were unlikely to provide sufficient information to permit an accurate diagnosis of the underlying causes of accidents. In the safety audit on the other hand:

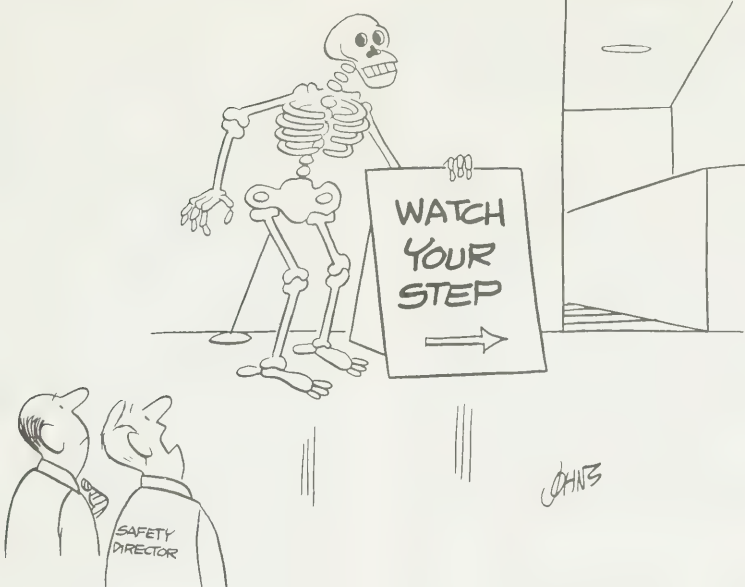
...the entire accident prevention program of a company, including

its safety policy, the safety attitudes of management and employees, the safety organization, responsibility and accountability for safety, education and training, self inspection, accident investigation and reporting, and statistics, is subject to a critical review.

Quite apart from the effectiveness of the safety audit technique in upgrading accident prevention programs, the department's use of audits together with safety and technical surveys and hazard evaluations, led Labour Canada to question some of the conventional wisdom upon which the inspectorate had based its work. Part of this was the assumption that management could be relied upon to give adequate priority to both health and safety, and that most accidents were due to employee carelessness. The programs revealed that management failure was at the root of many accidents, and in addition the inspectors found that the occupational health situation was far worse than had been generally realized.

The Quebec Ministère du Travail et de la Main-d'oeuvre was also questioning the wisdom of over-reliance on the routine inspection. From 1973 onwards two new programs were introduced. The first was a team of (about 10) inspectors who concentrated for a period of perhaps two months on one industrial sector with the object of achieving greater uniformity in the

*Part 1 was published in the October 1978 number of *The Labour Gazette*.



"DO YOU THINK THAT MIGHT BE JUST A LITTLE TOO DRAMATIC?"

given to the Learned Societies Conference in 1976 that changes were made in the application of discretion. Prior to 1974, when an accident prevention officer discovered serious violations of the regulations, he was required to explain and justify any recommendation that a sanction be involved. He was not required to explain or justify the absence of such a recommendation. This was changed in 1974 in order to place the protection of the worker on an equal basis with the interests of the employer.

Although the British Columbia Department of Labour was not the principal provincial regulatory authority for health and safety, it nevertheless had some safety functions, and thus the program this department undertook is appropriately included here. Its main drive from 1973 onwards was to fill what the 1973 annual report called the "enforcement vacuum" by covering the many plants which had never been subject to inspection. This resolve was perhaps strengthened by a systematic inspection (in 1973) of sawmills, wood mills and plywood plants which found "in most cases the total absence of any form of heating, exceptionally poor lighting, the absence of lunch rooms or, where provided, far below standard, and in the case of workers' washrooms many were deplorable..."

To fill this vacuum the numbers of inspectors were increased, regional offices were established, comprehensive inspection cycles were planned, and efforts were made to involve labour as well as management in the regulation of the occupational environment.

These and other improvements in inspection activities (such as the reorganization and the tougher approach of the New Brunswick labour department from 1974

pate in the inspection process, and indicated its willingness to supply union locals with copies of inspection reports on written request.

Changes were also occurring in British Columbia. At the Workers' Compensation Board (which had the prime regulatory responsibility in B.C.), health and safety was named the top priority in the Board's activities. In 1974, the right of both employer and worker representatives to accompany inspectors during on-site inspections was established, maximum penalties for infringing safety regulations were increased twenty-fold, and employers were required to pay their employees for the day a closure order was imposed and the next three working days it remained in effect.

T.G. Ison (formerly chairman of the W.C.B.) also reported in a paper

application of health and safety laws between similar companies. The second was the designation of a group of inspectors who would specialize in investigating serious accidents.

Among the results of these operations (according to the annual reports) was a rejection by the inspectorate of the worker-carelessness theory as the major cause of accidents. On the contrary, management failure was found to be a significant cause, as well as failure to give training to workers or to inform them of the dangers of their trade. This in turn led to a more critical examination of company safety programs and a greater emphasis on the need to inform workers of hazards at work and to involve them in planning to eliminate them. The Department set out to develop better relations with the unions, encouraged worker representatives to partici-

onwards) were all encouraging signs that segments of the inspectorate were endeavoring to come to grips with occupational health and safety problems in Canada. Their efforts were directed toward getting the best out of the self-regulation and inspection system as it then operated. By challenging at least some of the conventional wisdom about health and safety they cleared the way for change. However, many aspects of the system were left intact, the divided and overlapping jurisdictions, the weak legislation, the poor enforcement capability of the inspectorate, and the substantial exclusion of the workers from the process of regulation. For these reasons, the root and branch reforms undertaken in Saskatchewan in 1972 are of key importance.

Saskatchewan dealt with the problem of divided and overlapping jurisdiction which plagued all the provinces by bringing all the regulatory authorities together in a single occupational health and safety division within the Department of Labour. At the same time new legislation (the Occupational Health Act, 1972) paved the way for a rationalization and strengthening of the existing laws and regulations, a process which has occupied several years.

The integration of staff from various departments and boards with different ways of working and differing expertise was not expected to be an easy process, but in-house problems were found to be easier to resolve than inter-departmental difficulties. Moreover, Robert Sass, director of the division (speaking to a Canada Safety Council Conference in 1976), suggested that such an arrangement "minimizes the opportunities for inter-agency buck passing," one of the elements of the system which had weakened enforcement in all provinces.

All the commissions of inquiry recommended that more rigorous enforcement measures be taken against neglectful employers

There does not appear to have been a very large increase in the size of the inspectorate in Saskatchewan. Instead, attention was given to more effective deployment. It was suggested in Part 1 that where a wide variety of knowledge was required in dealing with a particular company or industry group, the inspectors were frequently at a disadvantage. Within the Saskatchewan arrangements, each inspector had available for in-house consultation, a variety of other skilled and experienced staff. Furthermore, the practice of group inspection that has been developed utilized the complementary skills required for any particular situation.

Again according to Robert Sass (this time speaking in 1975 to the Canadian Association of Administrators of Labour Legislation — CAALL), joint inspections, for example, by the mining and electrical inspectors, the fire inspector and the occupational health officer, the elevator inspector and the occupational health officer and other and sometimes larger combinations were a regular event. He suggested that "where a group of inspectors visit the same workplace together, there is a definite increase in coverage as all inspectors have different experiences and place different degrees of emphasis on any particular problem." He also took the view that this sharing of staff knowledge more realistically corresponded to the manner in which problems emerged in the workplace, and in addition the closer association between the occupational hygienists and the occupational health

officers (the re-named safety inspectors) improved the quality of inspections for health hazards.

Another method used in Saskatchewan to bring combined skills to bear on a problem is the Policy Planning Group. These (according to Robert Sass) are "non-hierarchical groups in which people are brought together on the basis of the problem and not on the basis of their official position" in the department. They examine particularly complex problems and are expected to come up with a report and clear recommendations for action.

Probably the most significant innovation pioneered by Saskatchewan was a much more substantial and effective sharing of the task of inspection and regulation between the inspectorate, the workers and the employers. Under the old system in Saskatchewan, as elsewhere, the employer was expected to "self regulate" occupational health and safety. Because of the number of worksites in relation to the size of the inspectorate, all the inspector could hope to do was to sample from time to time the effectiveness of this self-regulation. An industry recognized as hazardous or with a bad accident record would receive fairly frequent attention while other companies would be visited annually, or less often. Where deficiencies were observed and directives issued, the inspector would usually make follow-up visits to ensure his instructions had been complied with.

The role of the worker (and the unions) in this system was fairly marginal. He had no right to participate in the process of regulating the workplace or even to know what hazards existed. Arrangements might be made for worker representatives to accompany the inspector on his visits, and union or worker complaints

about health and safety would be examined. Joint labour management health and safety committees did exist in many companies, but neither the worker nor the union had a clearly established on-going role as of right.

The Saskatchewan legislation of 1972 recognized the regulation of occupational health and safety as the tripartite responsibility of employers, workers and government. It provided for mandatory joint employer/employee occupational health committees in every workplace employing 10 or more workers, and gave the joint committees the duty to participate in the identification and control of workplace hazards to health and safety. Looked at from the point of view of the inspection system, the joint committees constitute an army of inspectors operating all year round but functioning as a company/worker self-regulation system rather than as a huge bureaucracy on the government payroll.

By their regular reports to the Occupational Health and Safety Division, the joint committees provide an on-going review of conditions in the workplace. Robert Sass, speaking to CAALL in 1975, suggested that when division inspections do take place, they can be more effective because the inspector enters the situation better informed. At the same time the inspector's skill and knowledge of regulations is passed on to the committee, enabling them to function better.

The inspector's relationship is now not only with management but also with the joint committees whose co-chairmen (management and worker representatives) accompany him on inspections and receive his reports. In a further move in the 1977 Occupational Health and Safety Act, the need for follow-up inspection visits has

been reduced by requiring the employer to report correction of deficiencies identified by the inspector to the joint committee, except where there is a risk of serious personal injury, in which case the inspector himself must be notified of compliance with the directions he gave.

The joint committees are taught how to monitor particular health hazards and are supplied with equipment to enable them to do so. This not only means regular inspection of health hazards but enables better use to be made of the skills of the occupational hygienist who is able to concentrate on more complex problems.

The key element in this re-deployment of inspectional functions is the quality of the joint committee. This was recognized at an early stage by the Division. Courses are provided for committee members, information is supplied to them, and the Division is available to give advice or special assistance if necessary. At the same time, anti-

discrimination legislation protects the committees and workers who complain to them about health or safety hazards.

In Alberta, in 1975, the report of the Industrial Health and Safety Commission (the Gale Report) recommended similar action. The inspectorates of the four major departments and boards involved were to be brought together in one unified operation. This recommendation was accepted by the Alberta government, and the Department of Labour was selected as the base under a new and stronger Occupational Health and Safety Act in 1976. Gale recognized the problems inherent in such an amalgamation which would "bring together persons with varying degrees of training and expertise, with different interests and priorities," but considered the benefits would outweigh the difficulties. Duplication of services would be eliminated, and so also would competition between the services in the recruitment of trained personnel.



More important, the mix of personnel would bring together a wide variety of experience which could be shared throughout the inspectorate. The report visualized the use of joint and group inspection methods, utilizing the range of skills required in any particular situation, as well as the establishment of special technical units geared to support various field operations.

Gale also recommended the extensive use of joint employer/employee safety and health committees as a means to upgrade the whole self-regulation and inspection system. The report suggested that "an effective committee serves as an 'accident prevention'

...the problem of the attitude of the courts toward offending employers remains

body, health inspector and consultant to the worker and the work site, as well as a source of information for those charged with overall supervision of occupational safety and health." The Alberta government, in accepting this recommendation (in a statement by the Minister of Labour in March 1976), said:

The long term objective will be to organize and train these committees to carry out self-inspections, and to identify and correct hazardous situations, ensuring the monitoring of occupational health and safety at all times, and not only on those occasions when a government inspector is at hand.

The Ontario Royal Commission on the Health and Safety of Workers in Mines (the Ham Report) also recommends the merging of all health and safety functions into the Ministry of Labour. However, Ham talks less about the benefits

of shared expertise. Rather, he says that while the merger should permit "some concentration of work, it should not be an instrument of ill-considered homogenization." The distinctiveness of the problems of health and safety in the different fields of work needed to be respected. This recommended merger was accepted by the Ontario government, and implementation has taken place in the last year or so.

Ham also stressed his concern that there was no established means by which workers could assess conditions of work as a whole and through which the insight derived from their collective knowledge and experience could be utilized in preventing accidents and monitoring health hazards. To meet this problem he proposed the establishment (or strengthening) of joint labour-management health and safety committees and the appointment of worker-auditors.

The basic function of the worker-auditors (who were to be selected from experienced workers) was "to contribute to management and subsequently to the mining inspectorate the judgments of experienced workers on conditions pertaining to health and safety in the operations designated for such workers' review." The designation of workplaces for review would be made by management in consultation with the joint committee and the mining inspectors. The worker-auditors' role was to be an advisory one. "The intention is to provide management with an additional form of audit of operations while informing the mining inspectorate of the details of the review."

The joint labour-management health and safety committees proposed by Ham also are given a consultative and advisory role. They would act as a forum of con-

sultation between those with the ability to contribute (i.e., the workers) and those accountable for deciding what is to be done (i.e., the management). They would be concerned with policies, system performance, operations and conditions rather than specific safety and health problems.

The question of the status (and with it the recruitment and training) of inspectors has been tackled only to a limited extent

Although the inspector is to receive copies of the reports and minutes of the worker-auditor and the joint committee, and so would be better informed prior to inspection visits, and is expected to communicate more fully with workers during and after his inspection visits, no substantial change in the role of the inspectorate is proposed. The Ham proposals do not so much suggest a re-ordering of responsibilities and a consequent re-deployment of the inspectorate, as an opening up of the whole inspection and regulation process to worker scrutiny and advice.

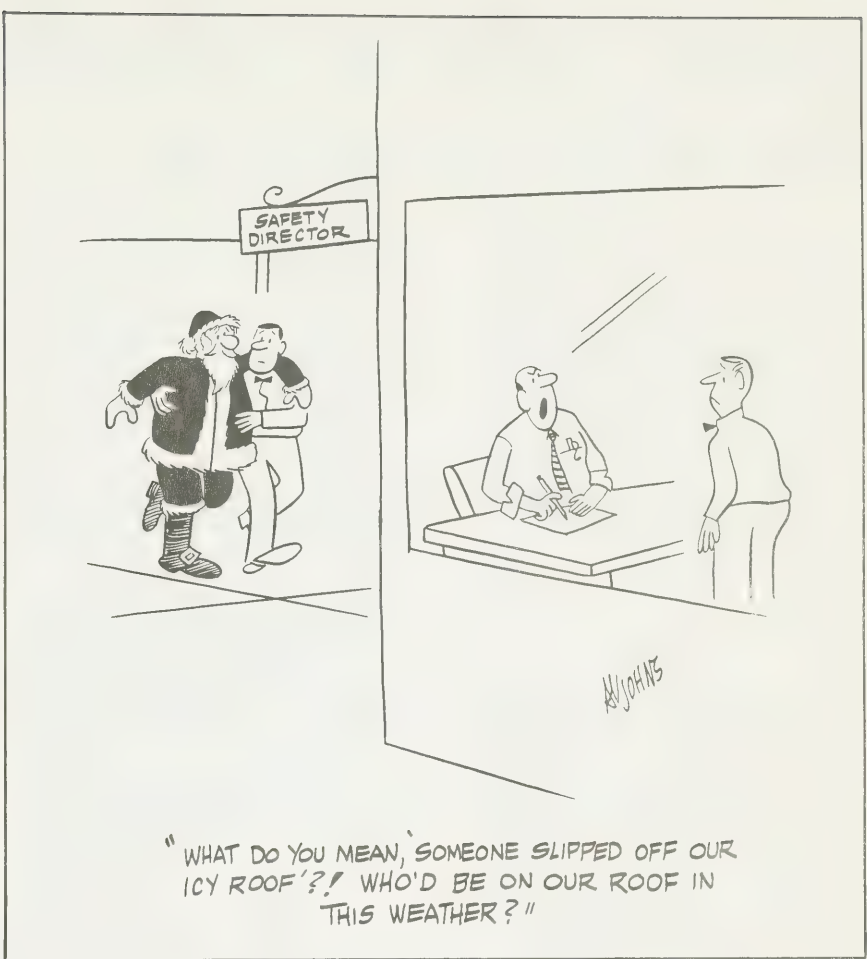
The temporary Ontario Employees Health and Safety Act (December 1976) which embodied these recommendations in legislation endorsed the advisory and consultative role of the joint committees and of what the Act named Health and Safety Representatives. The latter were given the right to accompany an inspector on his work-site visits and receive a copy of his report. Similar provisions are included in the fuller legislation of 1978.

Changes in Alberta and Ontario, as well as similar moves in Manitoba and Newfoundland and slightly different developments in New Brunswick, are all too recent to be

able to assess their effect on the inspectorate, as are the shifts in emphasis at Labour Canada toward greater worker participation. Certainly some seem more likely than others to give the inspectorate the means and the opportunity to do effective work.

All the commissions of inquiry recommended that more rigorous enforcement measures be taken against neglectful employers. In most provinces the level of maximum fines has been raised, in several the penalties now include a prison sentence, and the numbers of prosecutions have substantially increased. However, the problem of the attitude of the courts toward offending employers still remains. Robert Sass, discussing the use of enforcement as a preventive measure commented (*The Labour Gazette* April, 1977) that the courts were lenient toward employers violating safety regulations where no injury had taken place. In a recent Saskatchewan case (he said) an employer found guilty of violating health and safety regulations was fined on each count an amount that was less than the cost of a speeding ticket.

The question of the status (and with it the recruitment and training) of inspectors has been tackled only to a limited extent. Generally it appears to be hoped that the recognition of the importance of the task of the inspector will have a flow-on effect inside and outside the public service and that the old view of the inspector as a second class policeman checking compliance with safety regulations will give way to a recognition of his new role as the expert adviser brought in to deal with especially complex health and safety problems or to make in-depth examinations of total health and safety programs. The demands of this changed role must in turn



have an effect on the qualifications required, the remuneration given, and the status accorded to the inspectorate.

W.A. Martin, writing in 1975 (*The Labour Gazette* Anniversary Edition) drew attention to this changing role of the inspectorate and said "This will, of necessity, require a general upgrading of the competence of regulatory personnel, an undertaking of no small dimension when due allowance is made for the vested interest in maintaining the status quo and the increasing restrictions on expanding government budgets."

Martin was writing before the publication of the Ham and Beaudry reports and the Science

Council of Canada's *Policies and Poisons* study and before questions of occupational health and safety became hot political and media issues. There ought to be no doubt now in the minds of the public and government of the vital importance of an effective inspectorate to the health and safety of Canadian workers. Whether this gets translated into action in times of acute economic difficulty remains to be seen. [g]

Joan C. Brown, a social policy analyst, is the author of *How Much Choice? Retirement Policies in Canada* and *A Hit and Miss Affair: Policies for Disabled People in Canada*, published by the Canadian Council on Social Development. She is also a former Secretary-General of the Australian Council of Social Service.

Labour Legislation in Canada, 1977

Part 5: Workers' compensation

by Michel Gauvin

In 1977, Alberta, Prince Edward Island, Quebec and Saskatchewan passed acts to amend their workers' compensation legislation. In the Northwest Territories, a new Workers' Compensation Ordinance was adopted, and amendments were also made to the legislation of other jurisdictions.

Coverage

In **Alberta**, effective January 1, 1977, the Workers' Compensation Act protects all personnel, including pilots and other members of the air crew, who are employed in industries such as aerial advertising, spraying or surveying, air ambulance, airplane transportation, flying schools and clubs, operation of airplanes for hire and water bombing.

Extraprovincial and foreign-based charter flights are exempted from the application of the Act unless the work in which they are engaged is carried out as part of an industry within the scope of the Act, or an application to be covered has been approved by the Board.

Effective September 1, 1977, **Quebec** passed an Act to amend the Workmen's Compensation Act and the Act respecting indemnities for victims of asbestosis and silicosis in mines and quarries and to amend again the Social Affairs Commission Act. This legislation has granted protection under the Workmen's Compensation Act to the student who, under the responsibility of a teaching institution,

undergoes a non-remunerated training period in an industry covered by the Act.

Earnings ceiling

The increases in the maximum annual insurable earnings are as in Table 1.

Quebec has established an adjustment mechanism to determine the maximum rate of annual insurable earnings. It is equal to 150 per cent (for 1977: 140 per cent, and for 1978: 145 per cent) of a yearly average computed on the basis of the average weekly earnings of the industrial composite in Quebec as

established by Statistics Canada for each of the twelve months preceding July 1 of the year preceding the year for which the maximum rate of annual insurable earnings is computed.

The maximum rate of annual insurable earnings is rounded off to the next highest \$500 and is applicable from January 1 for the year 1978 and for each subsequent year.

The legislation provides for a possible change in the adjustment formula where a new method is adopted by Statistics Canada to determine the average weekly earnings for a given month.

Table 1

<i>Jurisdiction</i>	<i>Increase in maximum annual insurable earnings</i>	<i>Date of coming into force</i>
Alberta	from \$14,500 to \$15,600	1/7/77
British Columbia	from \$15,600 to \$17,600	1/1/78
Manitoba	from \$16,000 to \$17,000	1/1/78
Quebec	from \$13,500 to \$15,500 and to \$18,000	1/9/77 1/1/78
Saskatchewan	from \$16,000 to \$18,000	1/1/78
Northwest Territories	from \$10,000 to \$14,500	1/1/77
Yukon Territory	from \$13,000 to \$17,000	1/1/78

Benefits to dependants

In **Alberta**, effective July 1, 1977, the Workers' Compensation Amendment Act, 1977, brought increases in the income of dependants.

Where the only dependants are persons other than a widow, widower, child or common-law spouse, the compensation payable as the result of an accident occurring on or after July 1, 1977, is a sum which is determined as reasonable by the Board and which is proportionate to the pecuniary loss to those dependants occasioned by the death but which does not exceed \$90 per month (formerly \$70) to a parent or parents or \$135 per month (formerly \$105) in total payments to all such dependants.

The sum paid to a dependent widow or widower as a contribution to the additional expense occasioned by the death of a worker has been increased from \$500 to \$600. The maximum expenses for the funeral have been raised from \$450 to \$600, and for transporting the body from \$100 to \$200.

Foster parents receiving compensation for accidents that occurred on or after July 1, 1977, are entitled to \$345 per month, together with an additional \$90 per month for each child maintained.

Upon remarriage on or after July 1, 1977, a dependent widow or widower is granted a lump sum of \$4,140, the pension is discontinued, and eligible dependent children are entitled to an allowance of \$90 per month.

The amendments to the Act brought an increase in the pension paid to a dependent spouse. The situation is as follows:

- a. If the accident occurred on or after July 1, 1977, the

dependent spouse receives the same pension the deceased worker would have received had the accident resulted in permanent total disability to the worker (75 per cent of actual earnings up to a maximum of \$15,600). This provides a maximum pension of \$975 per month and a minimum pension of \$436 per month.

- b. If the accident occurred on or between January 1, 1974, and June 30, 1977, the dependent spouse receives a minimum pension of \$436 per month or an addition of 7½ per cent to the existing pension, whichever is the greater.
- c. If the accident occurred before January 1, 1974, the dependent spouse receives an increased pension of \$345 per month (formerly \$320).

Prince Edward Island passed an Act to amend the Worker's Compensation Act which modified certain provisions dealing with benefits paid to dependants.

In addition to a monthly pension of \$250, starting April 1, 1977, a dependent widow or invalid widower who has one or more children receives an allowance of \$50 per month (formerly \$40) for each child under 16.

Dependent orphan children under 16 receive a monthly payment of \$75 compared with \$50 previously.

In **Saskatchewan**, effective April 1, 1977, amendments to the Workers' Compensation Act, 1974, increased the monthly pension payable to a dependent spouse from \$275 to \$325. The additional allowance paid for a dependent child under 16 went up from \$65 to \$85 per month.

An orphan child under 16 is entitled to a monthly payment of

\$110 compared with \$80 previously.

In **British Columbia, Nova Scotia, Quebec** and the **Yukon Territory**, benefits to dependants are automatically increased in relation to the cost of living.

Disability benefits

The legislation governing compensation for disability incurred at work has been amended in some jurisdictions. The minimum compensation for total disability was increased as in Table 2.

In **Alberta**, effective July 1, 1977, all existing permanent disability pensions have been increased by 7½ per cent, with a minimum of \$436 per month for permanent total disability and a proportionate monthly amount for permanent partial disability.

In **Quebec**, the Workmen's Compensation Act now obliges the employer to pay an employee suffering from a temporary total disability following a work accident, or caused by an aggravation subsequent to such an accident, an amount equal to the compensation for the disability. The amount must be paid at the time the employee would ordinarily have received his wages and it covers the first five days on which the workman is totally disabled to work, not counting the day on which the accident occurred.

If the claim of the workman for compensation under the Act is subsequently deemed well-founded, the Workmen's Compensation Commission will reimburse the employer any sum paid pursuant to the provision just described. Otherwise, the employer may demand reimbursement from the workman.

An employer who does not comply with the requirement to pay

Table 2

<i>Jurisdiction</i>	<i>Permanent total</i>	<i>Temporary total</i>
Alberta	\$436 per month (formerly \$405)	weekly equivalent of permanent total*
British Columbia	\$463.57 per month (formerly \$443.62)	\$106.97 per week* (formerly \$102.37)
Nova Scotia	\$307 per month (formerly \$284)	\$82.50 per week* (no change)
Saskatchewan	\$405 per month (formerly \$75 per week)	\$405 per month* (formerly \$75 per week)
Northwest Territories	\$398.75 per month* (formerly \$55 per week)	\$398.75 per month* (formerly \$55 per week)
Yukon Territory	\$71 per week* (formerly \$66)	\$71 per week* (formerly \$66)

*or earnings if less.

compensation as outlined above is guilty of an offence and is liable, in addition to costs, to a fine equal to twice the amount of the compensation he omitted to pay to the workman, unless the employer proves that the claim of the workman was deemed unfounded.

Effective April 1, 1977, **Saskatchewan** has increased the monthly amount of compensation to which an injured worker is entitled for permanent disability according to the following formula: the percentage degree of impairment x \$80.

This increase applies only to compensation for injuries from accidents which occurred prior to January 1, 1976.

An injured worker is only entitled to one increase in compensation which is the greater of:

- 1) the increase in the minimum amount of compensation which is paid in respect of a permanent disability (see Table 2); or
- 2) the increase obtained by the

application of the formula mentioned above.

Review of decisions

The **Quebec** Workmen's Compensation Commission may delegate generally, to such of its functionaries as it may designate, its powers to examine into, hear and determine, in first instance, all matters and questions respecting the right to compensation, the amount of compensation, and the degree of impairment of earning capacity.

Every person who believes he has been wronged by a decision rendered by such a functionary may first apply to a review board to have it reviewed and then may appeal from the decision rendered in review to a body unconnected with the Commission, namely, the Social Affairs Commission. It is also possible to appeal to the Social Affairs Commission regarding a decision made under the Act respecting indemnities for victims of asbestosis and silicosis in mines and quarries.

Compensable diseases

British Columbia has added gastro-intestinal cancer (as described in the legislation) to its schedule of industrial diseases deemed to have been due to the nature of employment unless the contrary is proved.

This applies to disablements or deaths from gastro-intestinal cancer occurring on or after March 1, 1977, when a worker has been employed in any industry or process where there is exposure to asbestos fibres if, during the period between the first exposure and the diagnosis of gastro-intestinal cancer, there has been a period of, or periods adding up to, 20 years of continuous exposure to asbestos fibres. Such exposure must represent or be a manifestation of the major component of the occupational activity in which it occurred.

In **Manitoba**, there has been a revision to the regulation respecting fire fighters under the Workers' Compensation Act. The regulation deals with injuries to the lungs, brain, kidneys or heart of full-time members of professional fire-fighting departments.

Northwest Territories

The Northwest Territories have adopted a new Workers' Compensation Ordinance which was proclaimed into force on April 1, 1977.

Among other things, an accident fund has been established for the payment of compensation and other expenses authorized by the Ordinance. As in the provinces, the fund is made up by assessments paid by all employers covered, in the manner provided in the legislation.

The Ordinance incorporates a system of calculating compensa-

tion which is unique in Canada. A "Year's Maximum Assessable Remuneration" (YMAR) is determined by the legislation (\$14,500 effective January 1, 1977) and the payments to beneficiaries are based on a certain percentage of that amount.

Upon the death of a worker, the lump sum payable to an eligible dependent widow or widower and the maximum funeral expenses allowed in such a case are equal to 4 per cent of the YMAR (\$580). The monthly payment to those persons is 2.75 per cent of the YMAR (\$398.75). Dependent children under 16 and invalid children receive 0.625 per cent of the YMAR (\$90.62) monthly.

The compensation for total disability is still 75 per cent of the worker's average monthly remuneration subject to an annual ceiling of \$14,500. The minimum monthly compensation for such a disability is 2.75 per cent of the YMAR (\$398.75) or the worker's earnings if they are less.

Penitentiary Inmates Accident Compensation

On October 6, 1977, the federal jurisdiction issued terms and conditions for penitentiary inmates accident compensation.

The type of employment covered includes participation in any work activity sponsored, approved or permitted by the Canadian Penitentiary Service, or in any other activity it requires, excluding employment of an inmate who is on parole, other than day parole, and of an inmate who is under mandatory supervision. It also includes attendance at a training course that is approved by the Service for the inmate concerned and being transported by transportation arranged for or provided by the Service in connection with the activities described above.

Where an accident (including an industrial disease) causes the death of an inmate or ex-inmate, the dependants entitled to benefits under the terms and conditions, receive payments as follows:

- 1) the necessary funeral expenses, not exceeding \$400;
- 2) at the discretion of the Solicitor General, the extra expenses of transporting the body to a region or area outside the one in which the inmate or ex-inmate lived immediately before his death, not exceeding \$100;
- 3) a lump sum of \$400 plus \$250 per month for the spouse, and where there are children, an additional monthly amount of \$40 for each eligible child;
- 4) \$50 per month for each orphan child entitled to benefits;
- 5) where there is no surviving spouse or children, a sum that, at the discretion of the Solicitor General, is reasonable and proportionate to the pecuniary loss sustained by the dependant as a result of the death but not exceeding \$40 per month for a surviving parent, \$30 per month for a surviving dependant other than a parent, and \$60 per month in the aggregate for all surviving dependants.

The monthly payments for a spouse are discontinued if the spouse remarries or cohabits with another person as the common-law spouse of that person. However, where the spouse remarries, a lump sum equal to twelve monthly payments is paid within one month of the date of the marriage.


The monthly benefits paid in respect of a deceased inmate or ex-inmate, as described above, cannot exceed, in the aggregate, 75 per cent of the monthly

minimum wage that is in force on the date of the payment.

In these terms and conditions for penitentiary inmates accident compensation, the minimum wage mentioned is the one required to be paid to persons 17 years or over as set out in Part III of the Canada Labour Code.

Where a compensable accident causes the physical disability of an inmate and the disability subsists after the date of his release on parole, under mandatory supervision or on lawful discharge, the amount of the payment for the ex-inmate will, from such date and as long as the disability continues, be a monthly sum proportionate to the impairment of his earning capacity as determined by the Solicitor General on the basis of the nature and degree of the physical disability but not exceeding the monthly sum equal to 75 per cent of the minimum wage that is in force on the date of the payment.

Circumstances are specified where an ex-inmate entitled to compensation would receive a lump sum in lieu of periodic payments and provision is made regarding the payment of medical care.

A claimant who is dissatisfied with the amount of a payment to him or who has been refused a payment or whose payments have been discontinued may, in writing, request the Solicitor General to review the circumstances relating to the amount, refusal or discontinuance of the payments, and the latter will, within a reasonable time after the receipt of a request, make the necessary review and advise the claimant in writing of his decision in the matter. 

Michel Gauvin is a legislation analyst with Labour Canada.

comment

Need for reform

Structural reforms and public policy changes in dispute settlement methods are important change strategies and should not be denigrated. These experiments and changes are healthy and sometimes helpful. But they constitute little more than tinkering at the margin and bring about changes of, at best, a tangential nature. Furthermore, any improvements may not be long lasting because the change is unlikely to have dealt with attitudes and perceptions.

Structural change, in particular, simply introduces a new and uneasy equilibrium in power relationships. Pressures quickly build to change and modify the new, reformed structure.

With respect to public policy specifically, the federal and provincial governments have shown little inclination to experiment with the basic legal framework regulating industrial relations in Canada. With few exceptions governments in Canada over the past 25 years have not forced massive changes on the parties. It seems safe to assume that, at both levels, government is unlikely to introduce dramatic innovations particularly in the area of dispute resolution methods.

Even if government does take action on the public policy or structural front it is unlikely that the changes will deal with the

fundamental causes of labour strife. Over and above this, the role of government should probably be a modest one. Benjamin Aaron, a leading United States labour lawyer and expert in industrial relations, has concluded: "The principal task of industrial statesmanship today is to devise ways in which the government can participate in the collective bargaining process as an adviser or service agency rather than as a policeman."

This is sensible, particularly in light of our labour market institutions and their characteristics, and, at least prior to the Anti-Inflation Program, was generally accepted in Canada. The statement implies, nevertheless, that government does have a role to play in improving industrial relations practices and procedures. At the same time, it would seem that the best way, indeed perhaps the only way, to improve industrial relations in Canada significantly is through procedural and attitudinal reform. If the major opportunity for real changes resides with these two strategies, a heavy responsibility obviously lies in the hands of labour and management. To stimulate change, however, government could provide services and, perhaps more importantly, financial incentives to those parties who innovate in the area of industrial relations practice.

Bryan M. Downie
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Prospects for multinational bargaining

The history of collective bargaining in most countries of the world has been similar. First, workers have organized to confront employers with collective demands. Second, worker organizations (unions) have affiliated or merged with other unions that represent workers in similar companies, or industries. Third, because of conflict, or potential conflict (strikes or lockouts), governments have developed, over time, a body of laws regulating behaviour of employers and unions in the collective bargaining process. Labour laws, however, are based on the political, social, and economic development of a particular country, and, consequently, vary considerably between nations.

Although there is a small body of international law, it tends to be restricted to the trade and commerce area. Labour law has evolved, country by country, and remains on that basis today. There is no multinational labour law. In addition to establishing rules of behaviour in the collective bargaining process, these laws also protect the rights of third parties, the workers themselves, and the general public. What we have today, then, is the internationalization of corporations, the international affiliation of unions with like interests and the absolute sovereignty of a group of nations with no integration of their laws; nor any apparent willingness on

the part of governments to subordinate national objectives to accommodate bargaining goals of unions in different countries.

What are the prospects, then, of multinational bargaining? I would submit that trade unions normally have the goal of obtaining common wage patterns, benefit programs, and working conditions. Nation-states, normally, take no exception to these goals for workers within that nation. However, where pressure for uniformity across national boundaries impinges on an economic, social, or political goal of the nation-state, then the government itself will take action to assure that its own goals take precedence.

Let me give a very simple example to illustrate this point. Let's assume that unions in two industrialized countries agree to co-ordinate bargaining with a major multinational corporation operating in both countries. The unions agree on a major wage increase as the highest priority issue in both countries. Let's assume, however, that one of these countries has an inflation rate double that of the other country — not an uncommon phenomenon in today's world. If the country with the high inflation rate sees a high wage settlement as exacerbating its own economic goal of reducing inflation, it may well take action that would thwart the bargaining goals of the two affiliated unions.

In today's society, the sovereignty of nations is inviolable. It is that sovereignty, in my opinion, which will prohibit true multinational bargaining. The organization which comes the closest to merging national goals is the European Community. The Community is a group of nations, geographically close, with the aim of developing common economic and social policies and, ultimately, a political

union. However, since each country in the Community is a sovereign nation, the collective goals are often thwarted. Inflation rates in the United Kingdom and Italy are five to six times that of West Germany. There are major differences in unemployment rates between member states; and wages, benefits, and working conditions for workers in member countries vary widely.

Unions within the Community countries have formed strong alliances and have often agreed on common goals; however, because of the economic differences cited

above, it has not been possible, to effectively co-ordinate bargaining across national boundaries.

I would submit that there will not be effective multinational bargaining in the near future, not because of the intransigency of multinational corporations, but, rather, because of differing economic, social, and political goals of nations. The greatest impediment to multinational bargaining is the sovereignty of the nation-state.

George B. McCullough
Manager, Employee Relations,
Exxon Corporation

Resolving bargaining impasses

I believe that the most significant future changes to Canadian labour relations legislation will be those that deal with the resolution of bargaining impasses. A number of innovations have been introduced in public service collective bargaining legislation that go beyond anything to be found in general labour relations legislation. In the latter, the approach has been to provide the Minister of Labour with an "arsenal of weapons" — a variety of mechanisms the Minister can employ in dealing with different disputes.

I regard the phrase "arsenal of weapons" an unfortunate choice of terms because it places emphasis on the adversarial aspect of the process. In collective bargaining there is bound to be a degree of difference between the parties, but the end result must accommodate the interests of both parties. I would prefer terminology and an approach that would encourage the parties to devise their own mechanism for the resolution of interest disputes.

Last year, for example, the state of New Jersey enacted legislation governing collective bargaining for police and firefighters. It provides for third party binding determination of differences and sets out six alternative processes for the resolution of impasses. The legislation enables the parties to select the one they prefer. The processes include:

- conventional arbitration
- final offer by package inclusive of the factfinder's report
- final offer by package on economic matters and issue-by-issue on non-economic matters.

In addition, the parties are free to devise other settlement procedures, subject to the approval of the Public Employment Relations Commission.

I am not suggesting that third-party binding determination should be imposed by legislation in Canada. It occurs to me, however, that we should give some thought to devising a series of alternative

methods of dispute resolution that would be available to the parties so that they would be encouraged to experiment with various techniques in an effort to determine which method is best suited to them.

It has frequently been said that the best collective agreement is the one the parties work out for themselves. Perhaps the best way of resolving bargaining impasses is through the method that the parties adopt for themselves,

rather than one imposed upon them by law.

Jacob Finkelman

Former Chairman,
Public Service Staff Relations Board

Books

The Labour Beat: An Introduction to Unions

by **Roy LaBerge**, Media Algonquin, Ottawa, 1978, 220pp.

The Labour Beat: An Introduction to Unions. That's the catchy title of a 220-page paperback just published by Media Algonquin, the publishing arm of Algonquin College in Ottawa.

The book is just what the title says, a simply and crisply written introduction to labour organizations: what they are, how they operate, the laws that govern them, and where they stand on major Canadian issues.

It was written by an Algonquin College teacher who is a former director of public relations for the Canadian Union of Public Employees and former editor of *Canadian Labour*, published by the Canadian Labour Congress. He first wrote the manuscript as a manual for reporters covering labour, but adapted it for a broader audience.

The result is a well-documented work that can meet a variety of needs: a text for educational

programs, a reference book, and interesting reading for anyone who wants to become better informed about organized labour.

The wide range of topics it discusses includes labour laws, negotiations, the major unions and labour organizations, arbitration, automation, Canadian autonomy, catch-up bargaining, cost-of-living allowances, conciliation, industrial democracy, industry-wide bargaining, labour's social goals, multinational corporations, unions and the NDP, unions for professionals, Quebec's labour unrest, raiding, ratification rejections, strikes and lockouts, union "bosses", union ethics, wage restraints, women and unions, and just about anything else Canadians ought to know about organized labour.

LaBerge treats many of the complex issues with a refreshing frankness and clarity, and shoots down a number of myths and misconceptions about the labour movement, many of which can probably be attributed to ignorance on the part of some reporters covering industrial relations. His book is full of practical advice to them and to the public in general, concerning the right and the wrong way of reporting or understanding the labour scene.

He points for example to the indiscriminate use of the term "labour bosses" which "fits conveniently into a two-column headline but does not necessarily reflect the relationship between elected union officers and their membership...To stay in office, union leaders have to win elections, and to implement policies they have to win approval of meetings or conventions."

"Reporters are frequently confused by union democracy. When a leadership motion is defeated at a meeting or convention, they see it as some kind of membership or delegate 'revolt' rather than as a normal part of the workings of union democracy.

"Reporters also often misjudge the import of labour debates. A succession of delegates may roundly criticize a leadership proposal from the floor, but when the vote comes the proposal may be adopted by a big majority of delegates...Reporters do not recognize organized labour as a political movement in which the dissident minority may be the group most often heard from during debates."

The book contains a full chapter of advice in a chapter called "Do's and Don'ts for Reporters."

"Report organized labour's decision-making processes accurately and explain them where necessary," he warns the reader under advice No. 14. "Don't say labour bosses ordered their members to do something unless they were and did."

In the same chapter, he advises reporters to keep leaders of minority organizations, such as the Confederation of Canadian Unions or the Christian Labour Association, in perspective. "Don't report them in such a way that the public accepts theirs as the conventional views of the labour movement."

Here are some more pieces of sound advice from Roy LaBerge:

- *When reporting initial union proposals and initial company offers, interpret them as such, rather than as true negotiating objectives. Don't report them without interpretation, on the assumption the public knows how unions and management negotiate.*
- *Remember a strike vote is frequently used as a technique to arm union negotiators with more bargaining power...Don't refer to every strike vote as an imminent strike or even a probable strike.*
- *Remember, as a reporter your direct task is to report industrial relations, not reform them.*

And finally, this pearl: "Double check your sources' 'facts'. Don't take it for granted that the people you quote know what they are talking about — not even chairmen of boards, union presidents or ministers of labour."

To full-time labour reporters, this book will be a valuable reference source. To students and the public in general it is an interesting capsule description of what the labour movement is all about.

And to the reporter who occasionally gets assigned to a labour story, as well as his news editor, *The Labour Beat* is an absolute must.

The book is available for \$6.00 (lower prices for bulk orders) from Media Algonquin, 1385 Woodroffe Avenue, Ottawa, Ontario K2G 1V8.

Charles Bauer

The Right to Useful Unemployment and its Professional Enemies

by **Ivan Illich**, Burns and MacEachern, Toronto, 1978 95pp.

Ivan Illich's essay is brief, pointed and highly provocative. Using the deteriorating condition of language as an example, he propels us into a startling discussion of how "standardization of human action" on every social level from media to medicine has reduced the human drive toward creativity and productivity outside the market place. As a result, value has come to have significance only insofar as the market allows. Goods produced or services rendered outside the market structure are not reflected regardless of their contribution. Out of these conditions arises a new kind of poverty that "deprives those affected by it of their freedom and power to act autonomously," so they become in effect the proverbial unthinking cogs in the machine of production.

Repeated use of words like "standardized" and "engineered" serves to evoke an image of the market as a machine, with professionals as machine caretakers. At the same time the machine gobbles up as many of those tasks as it can successfully specialize and spew out to professionals. Simultaneously it devalues the few

remaining jobs that it cannot digest. In addition, unemployment is stigmatized because it contributes nothing recognizable to this market oriented system. But does unemployment need to be defined in terms of a market-intensive society?

Illich begins by dealing with the manner in which society currently operates and he indicates throughout that choices have to be made; choices between a greater or lesser degree of dependence on industrial commodities and between different forms of these commodities on the one hand and a new approach to the interrelationship between needs and satisfactions on the other. Illich goes on to suggest, however, that those on whom the public have come to rely and trust to help them make such choices have themselves become part of the system.

Professionals have an interest in maintaining the present structure and through consumer indoctrination have made themselves indispensable. To a degree the market can support this situation but eventually "radical monopoly" takes over. When this happens, professionals discourage people from doing or making things themselves and encourage them instead to use a professional service or a market commodity. Tasks which people used to do for themselves are transferred to the market, so that little remains for the average person to do himself. Should a person have a service or article to offer, it would not be welcomed unless it filled some previously untapped consumer need, or a need for it could be created.

Illich concludes that only work done within the corporate infrastructure has value. Unemployment in this age of standardized housing, teaching, and medical

care is a despised condition. The unemployed are seen as contributing nothing to the market structure and are therefore chastised (by being awarded their unemployment insurance cheques). Yet nothing in the system provides an incentive to work beyond the market mechanism, to produce goods or services of value that are neither engineered nor standardized. The choice is made clear: dependence on the present market system or a movement toward "a society in which frustrated workers organize to protest the freedom of people to be useful outside the activities that result in the production of commodities."

Unfortunately, however, in what is an otherwise clear and logical essay, Illich's principal topic

occasionally becomes ambiguous and somewhat ill-defined, although in most cases its meaning does eventually become clear. But in all, the essay is an enlightening view of our present market system and its attendant ills, ills that are all the more worrisome because they are camouflaged in artificial consumer needs — needs created and maintained by the system itself. In writing this essay Illich has succeeded in formulating what many people have no doubt suspected for some time. Moreover, by removing the word "unemployment" from its market context he has provided new guidelines for re-evaluating our work ethic.

P. Schieman

Cancer and the Worker

The New York Academy of Sciences, New York, 1977

Hundreds of thousands of Canadian workers will go to their jobs tomorrow not knowing what dangers they face. Many of them will be exposed to cancer-causing agents or processes. Few of them will be told of that fact. It isn't that governments, professionals and employers don't know about cancer in the workplace. It's just that they rarely bother to tell workers.

This New York Academy of Sciences publication embodies a different approach. Based on a U.S. scientific conference on Occupational Carcinogens held in March, 1975, its starting point is that, "All workers have the right to know, especially when the subject is cancer. Scientists, industry and government officials have the moral responsibility to share with workers whatever knowledge they have, even if it is limited at this

time. This book is a step in that direction. It is a tool for seeking a safer workplace. Use it."

The book is divided into four parts. *Part 1* deals with questions such as: What is cancer? What causes it? Is it reversible? How much exposure to a carcinogen does it take to cause cancer?

Part 2 discusses three broad groups of substances which cause occupational cancer: chemicals; metals; dusts and fibers. This information has been taken directly from the scientific papers and rewritten for workers. Chemicals including vinyl chloride, benzene, and cutting and lubricating oils are discussed and labeled as cancer-causing. Nickel, arsenic, and chromates are metals that cause cancer. Asbestos, radioactive particles, and some wood dusts are proven carcinogens.

Fibrous glass, commonly used as an asbestos substitute, is placed in a 'caution' group: "...scientists stress that until more is known,

exposure to glass fibers should be kept to a minimum through engineering controls and good work practices." Also in *Part 2*, the effects of smoking and the danger of industrial cancer reaching into workers' homes and communities are pointed out.

Part 3 is concerned with ways to prevent occupational cancer. Efforts by the Occupational Safety and Health Administration (OSHA) and the National Institute for Occupational Safety and Health (NIOSH) in controlling cancer hazards are outlined. The basic principles used by NIOSH deserve attention. They are:

- Any substance that definitely causes tumors in animals should be considered carcinogenic and a potential cancer hazard to man. It doesn't matter whether the substance causes benign tumors or malignant ones, since a benign tumor often turns cancerous.
- There is no known way to determine a safe level of exposure to any substance known to cause cancer in animals.

One hopes that the new Canadian Centre for Occupational Health and Safety will quickly adopt these principles. Our workers would thus be able to feel confident that Canadian authorities, too, are determined to prevent cancer in the workplace.

Finally, the whole question of cancer is examined within the political and economic structure of our society where it properly belongs. "The real issue in occupational cancer is not so much if we can prevent it, but whether we are willing to prevent it. Occupational cancer is a social disease, a disease whose causes and control are deeply rooted in the technology and economy of our society. Prevention of cancer is largely an

attainable goal, but it requires the co-ordinated effort of all parts of society: government, the scientific community, industry, labour, and

an informed public." Although many examples given are from the U.S., the issues raised are international. *Cancer and the Worker*

must be read by workers. Their lives may depend on it.

Ray Sentes

Research Notes

Industrial relations — general

Industrial Relations in Canada: Towards a Better Understanding, edited by William Dodge, Leslie Ann Ferrari and Ann E. Jepson. The Conference Board in Canada, June 1978.

This report is based on a round table meeting at which more than 20 industrialists, labour leaders and government officials participated. It includes the text of several formal presentations as well as edited summaries of the discussions. Major areas covered are labour law and its effects on collective bargaining; the evolution of collective bargaining in selected industries and regions; collective bargaining in the public sector; organizing the labour force; the Canadian Labour Congress — its concerns and goals; and the Canadian environment.

●
The Current Industrial Relations Scene in Canada 1978. Industrial Relations Centre, Queen's University. July 1978.

This annual reference volume reviews developments in Canadian industrial relations during the past year and comments on the outlook for 1978. The volume is organized into seven sections: the economy; manpower and labour markets; labour legislation and public

policy; trade unionism; collective bargaining; wages, productivity and labour costs; and a reference section.

Employee ownership

"Employee-owned companies: is the difference measurable?" by Michael Conte and Arnold S. Tannenbaum. *Monthly Labor Review*, July 1978.

This article reports on an analysis of 92 U.S. and Canadian companies which have some degree of employee ownership. (Employees in about three quarters of the companies analyzed owned at least half the equity).

Among the tentative conclusions:

- the industrial relations climate in employee-owned companies appears to be good, in the judgement of managerial respondents;
- managerial respondents see employee ownership as having a positive effect on productivity and profit;
- the employee-owned companies studied appear to be profitable — perhaps more profitable than comparable, conventionally owned companies.

Hours of work

"Measures to alleviate unemployment in the medium-term: work sharing." *Department of Employment Gazette*, April 1978.

A study by Britain's Department of Employment analyzes the potential effects of a reduction in the work week from 40 to 35 hours. It concludes that this might not have effect in reducing unemployment. One problem is that there would be difficulties in altering work patterns to create additional full-time jobs and in hiring unemployed persons with the necessary skills. In addition, if weekly earnings were maintained, there would be an increase in unit labour costs which would be only partly offset by reduced unemployment benefits and increased tax revenue. The hours reduction would also lower productive capacity, which could aggravate shortages of skilled labour when economic conditions improved. Increases in employment through reductions in overtime hours, the study concludes, would be a more promising possibility.

●
Work Sharing in Canada: Problems and Possibilities, by Peter Sadlier-Brown. C.D. Howe Research Institute, 1978.

By mid-April 1978, the federal

government had established pilot work-sharing programs in 17 locations. This study outlines how the experimental program is intended to work in Canada. It compares the operation of the Canadian program and the West German program on which it is modelled and explores a number of questions about work sharing in general and the Canadian program in particular. Questions examined include the costs and benefits of work sharing; its implications for collective bargaining; whether it should be financed by employer-employee contributions to unemployment insurance; and broader economic implications.

“Preferences on worklife scheduling and work-leisure tradeoffs,” by Fred Best. *Monthly Labor Review*, June 1978.

A survey of 791 manual and non-manual workers in the U.S. suggests that workers would like to see major changes in the amount and scheduling of time spent on work and increased flexibility in scheduling work and non-work activities over their life.

Questionnaire results indicated (1) that a majority of workers would prefer some additional time off rather than an equivalent pay increase; (2) most favour flexible hours and a majority would prefer to work longer weekly hours, compensated by added vacation; (3) most would prefer a form of lifetime work scheduling which would leave more time for leisure and educational pursuits during midlife.

Job satisfaction

Enrichissement du Travail et Satisfaction au Travail, by J.M. Rainville. School of Industrial Relations, University of Montreal.

A questionnaire analysis of pro-

duction workers in three firms shows that “job enrichment” will not necessarily add to job satisfaction. The author shows that, regardless of the degree of job enrichment, the pace of work is a critical factor in determining the level of satisfaction: where the pace is rapid, high levels of job enrichment go with lower levels of satisfaction. Wage levels are also important. High-wage workers are more satisfied with their jobs even when the level of job enrichment is low. Job security is shown to be the most important factor affecting satisfaction for all workers. Workers who rated their job security as being good had a higher level of job satisfaction than those who considered their job security to be poor.

“Disembodied Technical Progress: Does Employee Participation in Decision Making Contribute to Change and Growth?” by Karl-Olof Faxen. *Papers and Proceedings of the 90th Annual Meeting of the American Economic Association*.

As part of a joint union-management research project on the effects of employee participation, detailed studies of changes in work organization and the development of productivity have been conducted in a number of member firms of the Swedish Employers' Confederation. This paper reports the results of these studies and offers an interpretation of the effects of employee participation on plant productivity. A basic conclusion is that productivity can be increased substantially if organization and working methods are improved as a result of employee participation.

Organization size

Personnel Administration in Large and Middle-Sized Canadian Businesses, by Victor V. Murray and

David E. Dimick. Royal Commission on Corporate Concentration, Study No. 25.

This study compares a number of dimensions of employee relations practices in ten enterprises which are among the largest in their industries with ten middle-sized companies in the same industries. The authors draw three general conclusions. First, there is no obvious “disadvantage” in being employed by a large corporation. The sophistication of policies, level of pay, availability of training, utilization of merit criteria and other factors suggest that employees may be in a better position in large as opposed to medium-sized companies. Secondly, certain types of programs which might be seen as desirable by society in general are not likely to grow in number if it is left to business alone to initiate them. Thirdly, the majority of the companies in the sample did little or nothing to develop “intrinsic motivation” — the feeling on the part of employees of doing meaningful work and having a say in that which affects them.

Organization Size as a Factor Influencing Labour Relations, by Terence H. White. Royal Commission on Corporate Concentration, Study No. 33.

This study examines the effects of size on individuals and labour relations within organizations. An analysis of data from a sample of production workers in manufacturing organizations indicated that organization size was not a major variable explaining variations in the attitudes and behaviour of individual workers. More important were the mobility opportunities for employees within their organizations, the nature and quality of supervision, the opportunities for cohesive groups and other social networks to develop, and the

autonomy afforded workers in their jobs. The author shows, however, that there is a relationship between the frequency and duration of strikes and organization size.

Work stoppages

"The Incidence of Industrial Conflict in Canada: An Analysis of

Conflict Data," by Paul Malles. *Canadian Business Economics*.

The author shows that it is very largely the exceptionally long duration of work stoppages in Canada rather than massive worker involvement which leads to excessive time loss figures by international standards. In the overwhelming majority of cases,

negotiations are concluded without recourse to strike and lockout sanctions. Thus, the Canadian industrial relations system cannot be viewed as being in a state of perpetual crisis nor are Canadian workers particularly "strike-happy."

Laurence A. Kelly

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Arbitration, Industrial

Palmer, Earl Edward. *Collective agreement arbitration in Canada*, by Earl Edward Palmer with the assistance of B. Hovius. Toronto, Butterworths, 1978. 635p.

Construction Industry

Construction industry labour relations, 1977. Bernard T. King and Donald W. Savelson, cochairmen. New York, Practising Law Institute, 1977. 520p.

Educational Leave

Organization for Economic Cooperation and Development. Centre for Educational Research and Innovation. *Alternation*

between work and education; a study of educational leave of absence at enterprise level. Paris, 1978. 97p.

Fringe Benefits

Ontario. Education Relations Commission. *Insured fringe benefits*. Toronto, 1978. 29p.

Income

Boisvert, Michel. *La relation entre la taille urbaine et le revenu per capita, au Canada*, par Michel Boisvert et Michel Legault. Ottawa, Conseil économique du Canada, 1978. 63p.

Gillespie, W. Irwin. *In search of Robin Hood: the effect of federal budgetary policies during the 1970s on the distribution of income in Canada*. Montreal, Canadian Economic Policy Committee, C.D. Howe Research Institute, 1978. 66p.

Industrial Democracy

Elliot, John. *Conflict or co-*

operation? the growth of industrial democracy. London, Kogan Page, 1978. 306p.

Industrial Disputes

Batstone, Eric. *The social organization of strikes*, By Eric Batstone, Ian Boraston and Stephen Frenkel. Oxford, Eng., Basil Blackwell, 1978. 236p.

Connolly, Walter B. *Work stoppages and union responsibility*, by Walter B. Connolly and Michael J. Connolly. New York, Practising Law Institute, 1977. 499p.

Industrial Relations

Comparative industrial relations in Europe. Edited by Derek Forrington. Westport, Conn., Greenwood Press, 1978. 270p.

Conference Board. Canadian Office. *Industrial relations in Canada: toward a better understanding: a round table discussion*

held in Toronto, June 15 and 16, 1977. Edited by William Dodge, Leslie Ann Ferrari and Ann E. Jepson. Ottawa, 1978. 138p.

Labour Leaders

Davidson, Joe. *Joe Davidson*, by Joe Davidson and John Deverell. Toronto, James Lorimer & Company, 1978. 192p.

Labour Organization

Trade unions under capitalism, edited by Tom Clarke and Laurie Clements. Atlantic Highlands, N.J., Humanities Press by agreement with Fontana, 1978. 413p.

Labour Organization — Political Activities

Lazarus, Morden. *The long winding road; Canadian labour in politics.* Vancouver, Boag Foundation, 1977. 103p.

Part-Time Employment

Bernier, Colette. *Le travail à temps partiel*, par Colette Bernier et Hélène David. Montréal, Institut de recherche appliquée sur le travail, 1978. 97p.

Pensions

Collins, Kevin. *Women and pensions.* Ottawa, Canadian Council on Social Development, 1978. 254p.

Technological Change

U.S. National Center for Productivity and Quality of Working Life. *Productivity and job security: attrition — benefits and problems.* Washington, G.P.O., 1977. 116p.

Wages and Hours

Gunderson, Morley. *Data on public and private wages in Canada.* Montreal, Institute for Research on Public Policy, 1977. 29p.

Work

Schrank, Robert. *Ten thousand working days.* Cambridge, Mass., MIT Press, 1978. 243p.

labour statistics

EARNINGS AND INCOME — JULY, 1978

Average weekly earnings of the industrial composite in the preliminary estimates for July, 1978, changed slightly (on a seasonally-adjusted basis) from June.

On an *unadjusted* basis, average

weekly earnings for the industrial composite increased by 6.0 per cent to \$266.77 in July 1978, from \$251.62 in July 1977. In real terms this amounted to a *decrease* of 3.1 per cent. For manufacturing the increase was 6.9 per cent to \$282.08, while in construction it was up 4.7 per cent to \$396.09.

while the non-food index was 6.2 per cent higher.

In the third quarter, 1978, the CPI was 9.3 per cent higher than the same period last year. On a *seasonally-adjusted* basis, the current annual rate of change in the third quarter was 6.1 per cent compared with 8.9 per cent the previous quarter.

THE CONSUMER PRICE INDEX — SEPTEMBER, 1978

The all-items Consumer Price Index for Canada (1971=100) decreased by 0.2 per cent from 177.8 in August to 177.5 in September, the first recorded monthly decline in this index since September, 1971. As a result, the twelve-month rise between September, 1977 and September,

1978 stood at 8.6 per cent, down from the 9.4 per cent registered in the previous month. The decline in the all-items index in this latest month was attributable to the food index which declined by 2.4 per cent whereas the all-items excluding food index increased by 0.7 per cent. On a year-over-year basis the food index was 14.8 per cent higher than in September, 1977,

THE LABOUR MARKET — SEPTEMBER 1978

The seasonally-adjusted unemployment rate remained unchanged from August at 8.5 per cent in September. The labour force increased by 0.2 per cent as the participation rate moved up to a new high of 62.9 per cent; and employment rose by 0.1 per cent.

In the major age/sex groups, the adult male rate remained at 5.5 per cent while the adult female rate rose 0.2 percentage points to 7.9 per cent and the youth unemployment rate dropped a similar amount to 14.4 per cent.

By regions, the unemployment rate declined in the Atlantic provinces (to 12.3 per cent), in Quebec (to 10.9 per cent) and in British

Columbia (to 8.1 per cent); while the rate increased in Ontario (to 7.5 per cent) and the Prairies (to 5.6 per cent). The decline in unemployment was consistent with the growth of employment in all regions. While this was very strong in British Columbia (11.0 per cent) and the Atlantic provinces (0.9 per cent), there was weaker growth in Quebec (0.3 per cent). In contrast, employment

declined in Ontario (- 0.4 per cent). Employment in Canada during the third quarter, 1978, increased at an accelerated rate of 1.2 per cent — the strongest growth since the first quarter, 1974. Sharply increased growth occurred in Ontario (1.9 per cent) and in the Atlantic region (1.1 per cent), while Quebec was the only region to record a marginal decline (- 0.1 per cent).

LABOUR MARKET

	Seasonally Adjusted						Unadjusted					
	July 1978	Aug. 1978	Sept. 1978	% change ²			Aug. 1977	Aug. 1978	% Change ¹	Sept. 1977	Sept. 1978	% Change ¹
				July	Aug.	Sept.						
TOTAL							(numbers in thousands)					
Labour Force	11,059	11,086	11,106	0.4	0.2	0.2	11,098	11,527	3.9	10,703	11,112	3.8
Employment	10,132	10,145	10,160	0.6	0.1	0.1	10,260	10,635	3.7	9,906	10,258	3.6
Unemployment	927	941	946	- 1.8	1.5	0.5	838	892	6.4	798	854	7.0
Unemployment Rate (%)	8.4	8.5	8.5	—	—	—	7.5	7.7	—	7.5	7.7	—
Participation Rate (%)	62.8	62.8	62.9	—	—	—	64.1	65.3	—	61.8	62.9	—
Both Sexes: 15-24	64.7	64.7	64.6	—	—	—	72.2	73.7	—	61.7	62.8	—
Men:	78.1	78.3	78.1	—	—	—	81.1	81.7	—	77.7	78.0	—
— 25 and over	81.1	81.3	81.2	—	—	—	81.6	81.9	—	81.6	81.8	—
Women:	47.9	47.9	48.1	—	—	—	47.7	49.5	—	46.4	48.3	—
— 25 and over	44.1	44.1	44.3	—	—	—	41.2	43.8	—	42.9	45.0	—
EMPLOYMENT	10,132	10,145	10,160	0.4	0.1	0.1	10,260	10,635	3.7	9,906	10,258	3.6
Both Sexes: 15-24	2,542	2,532	2,535	1.5	- 0.4	0.1	2,853	2,955	3.6	2,411	2,487	3.2
Men:	6,253	6,263	6,263	0.4	0.2	0.0	6,475	6,635	2.5	6,214	6,348	2.2
— 25 and over	4,870	4,882	4,882	0.1	0.2	0.0	4,878	4,984	2.2	4,892	4,989	2.0
Women:	3,878	3,882	3,897	0.8	0.1	0.4	3,785	4,000	5.7	3,692	3,909	5.9
— 25 and over	2,720	2,731	2,743	0.7	0.4	0.4	2,529	2,697	6.6	2,603	2,782	6.9
Paid Workers	9,079	9,097	9,124	0.5	0.2	0.3	9,247	9,528	3.0	8,904	9,188	3.2
— Non-Agriculture	8,945	8,961	8,982	0.4	0.2	0.2	9,056	9,348	3.2	8,734	9,026	3.3
In Industries												
Agriculture	481	478	486	1.1	- 0.6	1.7	542	560	3.3	514	537	4.5
Manufacturing	1,983	2,006	1,998	- 0.8	1.2	- 0.4	1,979	2,102	6.2	1,951	2,035	4.3
Construction	643	641	628	0.6	- 0.3	- 2.0	728	735	1.0	695	682	- 1.9
Trade	1,771	1,742	1,754	- 0.6	- 1.6	0.7	1,755	1,792	2.1	1,715	1,745	1.7
Services	2,869	2,860	2,868	1.8	- 0.3	0.3	2,792	2,894	3.7	2,720	2,837	4.3
By Regions												
Atlantic	772	767	774	1.0	- 0.6	0.9	748	836	2.5	768	806	4.9
Quebec	2,564	2,560	2,567	0.6	- 0.2	0.3	2,502	2,692	2.0	2,545	2,598	2.1
Ontario	3,930	3,940	3,933	1.2	0.3	- 0.2	3,777	4,103	4.5	3,786	3,937	4.0
Prairies	1,766	1,767	1,760	0.5	0.1	- 0.4	1,686	1,842	4.1	1,716	1,779	3.7
British Columbia	1,113	1,116	1,127	- 0.4	0.3	1.0	1,075	1,161	4.5	1,090	1,137	4.3
UNEMPLOYMENT RATE (%)	8.4	8.5	8.5	—	—	—	7.5	7.7	—	7.5	7.7	—
Both Sexes: 15-24	14.2	14.6	14.4	—	—	—	12.8	12.5	—	13.8	13.6	—
Men:	7.6	7.7	7.7	—	—	—	6.1	6.4	—	6.1	6.3	—
— 25 and over	5.3	5.5	5.5	—	—	—	3.9	4.3	—	3.8	4.2	—
Women:	9.7	9.7	9.8	—	—	—	9.9	9.9	—	9.6	9.9	—
— 25 and over	7.9	7.7	7.9	—	—	—	8.1	8.3	—	7.7	8.0	—
By Regions												
Atlantic	12.8	12.7	12.3	—	—	—	10.9	11.0	—	11.0	10.7	—
Quebec	10.5	11.0	10.9	—	—	—	19.6	10.1	—	9.9	10.0	—
Ontario	7.3	7.1	7.5	—	—	—	6.6	6.6	—	6.5	6.8	—
Prairies	5.1	5.3	5.6	—	—	—	4.4	4.8	—	4.0	4.8	—
British Columbia	7.7	8.4	8.1	—	—	—	8.2	7.9	—	7.5	7.3	—
EMPLOYMENT RATIO	57.5	57.5	57.5	—	—	—	59.3	60.3	—	57.2	58.1	—
Both sexes: 15-24	55.5	55.3	55.3	—	—	—	63.0	64.5	—	53.1	54.3	—
Men:	72.2	72.2	72.1	—	—	—	76.1	76.5	—	72.9	73.1	—
— 25 and over	76.8	76.8	76.7	—	—	—	78.4	78.4	—	78.5	78.4	—
Women:	43.3	43.2	43.4	—	—	—	43.0	44.6	—	41.9	43.5	—
— 25 and over	40.6	40.7	40.8	—	—	—	38.6	40.2	—	39.6	41.4	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted		
	1978			% Change From Previous Year			Current Annual Rate of Change		
	July	Aug.	Sept.	July	Aug.	Sept.	July	Aug.	Sept.
All Items (1971 = 100)	177.7	177.8	177.5	9.8	9.4	8.8	12.7	7.6	6.1
Food "	219.7	216.7	211.6	20.1	17.8	14.8	29.5	12.3	1.1
Total Ex-Food "	163.5	164.6	165.8	6.0	6.2	6.2	6.1	5.5	8.6

EARNINGS AND INCOME

	Unadjusted						Seasonally Adjusted							
	June 1977	June 1978P	% change ¹	July 1977	July 1978P	% change ¹	Apr. 1978P	May 1978P	June 1978P	July 1978P	% change ² May	% change ² June	% change ² June	% change ² July
AVERAGE WEEKLY EARNINGS (\$)														
Industrial Composite	251.86	268.80	6.7	251.62	266.77	6.0	262.18	263.06	265.86	265.84	0.7	1.0	1.1	- 0.1
Real (\$ 1971)	155.66	151.27	- 2.8	154.84	150.00	- 3.1	151.05	150.54	150.15	150.23	- 0.0	- 0.3	- 0.3	0.1
By Regions:														
Atlantic	221.65	230.44	4.0	223.60	232.16	3.8	225.29	228.46	230.21	230.91	1.6	0.7	0.8	0.3
Quebec	247.18	267.46	8.2	245.37	264.29	7.7	258.66	260.08	264.85	264.18	0.9	1.6	1.8	- 0.2
Ontario	251.33	268.11	6.7	250.23	264.71	5.8	261.83	262.52	264.28	264.02	0.6	0.9	0.7	- 0.1
Prairies	249.20	263.57	5.8	251.46	263.88	4.9	258.75	259.15	262.65	260.93	0.4	1.2	1.4	- 0.6
British Columbia	286.91	304.91	6.3	288.60	305.41	5.8	298.48	297.80	300.89	302.33	0.8	0.1	1.0	0.5
Manufacturing:														
Average Weekly Earnings (\$)	266.43	286.73	7.6	263.90	282.08	6.9	281.06	282.33	285.07	285.07	0.6	1.2	1.0	0.0
Average Hourly Earnings (\$)	6.39	6.87	7.5	6.40	6.83	6.7	6.72	6.73	6.77	6.84	0.6	0.9	0.6	1.0
Average Weekly Hours	38.8	38.7	0.3	38.2	38.2	0.0	38.7	38.8	38.8	38.7	0.3	- 0.5	0.0	- 0.3

JOB VACANCIES

	Unadjusted					Three months ending July	Seasonally Adjusted				
	1977			1978			1977			1978	
	II	III	IV	I	II		II	III	IV	I	II
	(Number in thousands)										
All categories	49.7	52.7	35.6	37.9	45.6	46.6	47.8	42.9	40.5	44.7	43.0
Full-time	43.2	45.5	30.9	34.3	39.8	41.0	41.5	37.4	35.3	39.7	37.6
Longer-term	13.2	15.7	12.1	12.1	13.5	14.4	14.4	12.5	13.2	13.4	14.2

¹Per cent change from previous year.

²Per cent change from previous month.

P Preliminary.

Source: Statistics Canada, The Labour Force, Cat. No. 71-001.

STRIKES AND LOCKOUTS

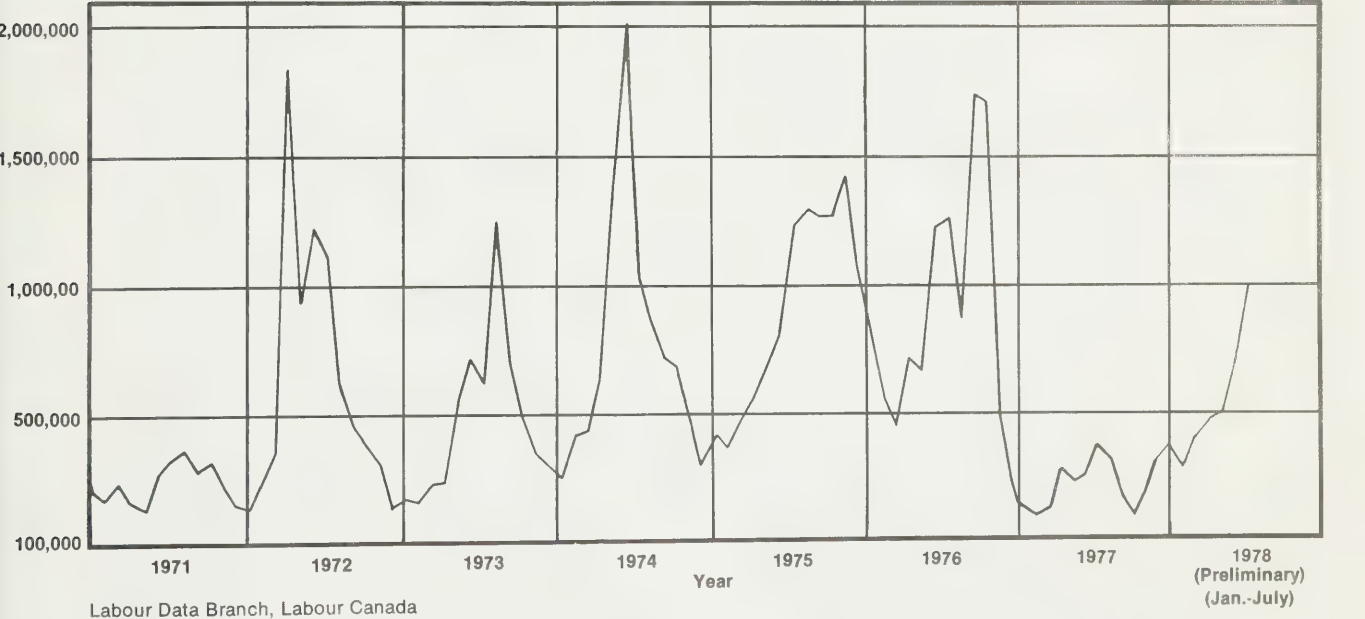
Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, JULY 1978

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976.....	921	1,039	1,570,940	11,609,890	0.55
1977.....	739	803	217,557	3,307,880	0.15
1977					
June.....	71	156	37,241	307,500	0.16
July.....	55	138	38,802	405,760	0.22
August.....	76	153	34,522	345,970	0.17
September.....	75	174	31,114	245,070	0.13
October.....	56	120	19,716	178,300	0.10
November.....	55	113	32,154	240,850	0.13
December.....	32	101	25,758	353,130	0.20
1978(*)					
January.....	48	96	24,395	365,720	0.21
February.....	64	138	29,705	278,200	0.16
March.....	66	148	37,590	406,510	0.22
April.....	69	157	42,255	475,580	0.28
May.....	101	179	41,316	507,510	0.26
June.....	101	200	102,132	698,020	0.35
July.....	83	214	82,720	999,850	0.53
January-June 1977.....		454		1,538,800	0.16
January-June 1978(*).....		497		2,731,540	0.25
January-July 1977.....		509		1,944,560	0.17
January-July 1978(*).....		580		3,731,390	0.29

(*) Preliminary

MAN-DAYS LOST IN WORK STOPPAGES
1971 TO DATE



WORK STOPPAGES BY INDUSTRY, JUNE 1978 (Preliminary)

Industry	Number begin- ning during month	Work stoppages in exis- tence during month		Dura- tion in man- days	Cumula- tive dura- tion in man- days (Jan. to June)
		Num- ber	Workers involved		
Agriculture.....	0	0	0	0	0
Forestry.....	4	4	455	1,020	11,220
Fishing.....	0	0	0	0	0
Mines.....	4	11	9,283	135,380	611,510
Manufacturing.....	54	104	23,560	281,310	962,350
Construction.....	11	18	9,622	121,390	192,400
Transp. & Utilities..	2	15	2,323	36,110	495,470
Trade.....	12	21	2,807	48,520	103,340
Finance.....	1	1	9	190	1,760
Service.....	10	21	3,909	21,080	183,770
Public Admin.....	3	5	50,164	53,020	169,720
Various industries..	0	0	0	0	0
TOTAL.....	101	200	102,132	698,020	2,731,540

WORK STOPPAGES BY INDUSTRY, JULY 1978 (Preliminary)

Industry	Number begin- ning during month	Work stoppages in exis- tence during month		Dura- tion in man- days	Cumula- tive dura- tion in man- days (Jan. to July)
		Num- ber	Workers involved		
Agriculture.....	0	0	0	0	0
Forestry.....	1	2	235	3,140	14,360
Fishing.....	1	1	600	1,200	1,200
Mines.....	1	6	5,040	64,590	676,100
Manufacturing.....	41	117	29,977	386,920	1,349,270
Construction.....	13	20	36,789	425,380	617,780
Transp. & Utilities..	9	21	3,313	37,710	533,180
Trade.....	7	23	2,965	43,600	146,940
Finance.....	0	0	0	0	1,760
Service.....	5	16	1,644	12,160	195,930
Public Admin.....	5	8	2,157	25,150	194,870
Various industries..	0	0	0	0	0
TOTAL.....	83	214	82,720	999,850	3,731,390

WORK STOPPAGES BY JURISDICTION, JUNE, 1978 (Preliminary)

Jurisdiction	Number begin- ning during month	Work stoppages in exis- tence during month		Dura- tion in man- days	Cumula- tive dura- tion in man- days (Jan. to June)
		Num- ber	Workers involved		
Nfld.....	3	4	3,148	57,830	233,150
P.E.I.....	1	1	38	270	270
N.S.....	3	4	80	850	24,030
N.B.....	4	6	1,258	6,510	19,390
Quebec.....	23	62	61,377	212,420	994,610
Ontario.....	27	48	17,473	155,740	521,060
Manitoba.....	15	20	5,469	95,090	129,160
Saskatchewan.....	3	10	5,232	57,840	88,020
Alberta.....	7	9	2,077	21,490	122,400
B.C.....	12	23	4,175	55,380	160,690
Yukon & N.W.T.....	0	1	14	300	430
Total, provinces.....	98	188	100,341	663,720	2,293,210
Federal Public Service(1).....	1	1	21	20	800
Federal Industries(2).....	2	11	1,770	34,280	437,530
Federal total.....	3	12	1,791	34,300	438,330
TOTAL.....	101	200	102,132	698,020	2,731,540

WORK STOPPAGES BY JURISDICTION, JULY, 1978 (Preliminary)

Jurisdiction	Number begin- ning during month	Work stoppages in exis- tence during month		Dura- tion in man- days	Cumula- tive dura- tion in man- days (Jan. to July)
		Num- ber	Workers involved		
Nfld.....	4	5	3,900	31,390	264,540
P.E.I.....	0	0	0	0	270
N.S.....	2	4	363	3,500	27,530
N.B.....	6	8	1,931	14,890	34,280
Quebec.....	16	56	8,391	112,850	1,107,460
Ontario.....	35	62	40,812	490,250	1,011,310
Manitoba.....	0	19	5,453	102,730	231,890
Saskatchewan.....	1	7	1,485	29,310	117,330
Alberta.....	5	13	9,182	110,760	233,160
B.C.....	8	24	8,016	69,300	229,990
Yukon & N.W.T.....	0	1	14	10	440
Total, provinces.....	77	199	79,547	964,990	3,258,200
Federal Public Service(1).....	2	2	865	1,040	1,840
Federal Industries(2).....	4	13	2,308	33,820	471,350
Federal total.....	6	15	3,173	34,860	473,190
TOTAL.....	83	214	82,720	999,850	3,731,390

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

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STRIKES AND LOCKOUTS

	1976		1977				1978		
	III	IV	I	II	III	IV	I	II	July
(Quarterly averages)									
Workers Involved	112,173	342,621	24,039	36,790	34,813	25,876	30,563	61,901	82,720
Total Man-days lost	1,466,900	927,813	200,670	312,263	332,267	257,427	350,563	560,370	999,850
Manufacturing	501,157	278,540	110,100	207,630	189,653	154,340	119,170	168,790	386,920
Man-days lost as a % estimated working time:	0.79	0.50	0.11	0.17	0.18	0.14	0.20	0.29	0.53
Manufacturing	1.18	0.67	0.28	0.52	0.46	0.34	0.31	0.40	0.95

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1978 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-2/1977.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union. (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working Conditions in Canadian Industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

Labour Standards in Canada, 1977. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1976 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1976.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications,

employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1977. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1976. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

The pension booklet. A bilingual guide providing basic information on employer-sponsored pension plans, how they operate and the protection provided by the federal and provincial governments (who share responsibility for regulating private pensions). Available free (Cat. No. L13-10/78) from Public Relations, Labour Canada, Ottawa, Ontario. K1A 0J2.

Collective Bargaining Information Centre. Information pamphlet, bilingual. Available free.

Collective Bargaining Information Sources (Section I). A reference guide to sources of information and data for collective bargaining. Section I, "Compensation", now available. Section II, "Economic Studies"; Section III, "Labour Relations"; and Section IV, "Library Services" — forthcoming. English or French, free.

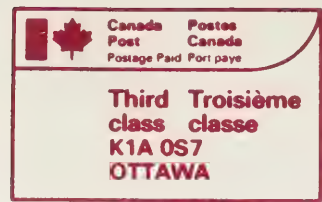
Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request (Bilingual)).

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Occupational Noise Legislation. Contains the Canadian legislation protecting workers against the harmful effects of noise exposure in workplaces. Included is a table showing the maximum sound level permitted for different periods of exposure. (Available free on request). (Bilingual).

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library, Accident Prevention Division, 1976. Free.

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